Culture

Annual Report
2013-2014

Alberta
Government

Note to readers:

Copies of the annual report are available on the website (www.culture.alberta.ca) or by contacting:

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Culture

Annual Report
2013-14

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Preface

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Fiscal Management Act*. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 19 ministries.

The annual report of the Government of Alberta contains ministers' accountability statements, the consolidated financial statements of the province and *Measuring Up* report, which compares actual performance results to desired results set out in the government's strategic plan.

On December 6, 2013, the government announced new ministry structures. The 2013-14 ministry annual reports and financial statements have been prepared based on the new ministry structure.

This annual report of the Ministry of Culture contains the minister's accountability statement, the audited consolidated financial statements of the ministry and a comparison of actual performance results to desired results set out in the ministry business plan. This ministry annual report also includes:

- **the financial statements of entities making up the ministry including the Department of Culture, regulated funds and provincial agencies for which the minister is responsible; and**
- **other financial information as required by the *Financial Administration Act* and *Fiscal Management Act*, either as separate reports or as a part of the financial statements, to the extent that the ministry has anything to report.**

Minister's Accountability Statement

The ministry's annual report for the year ended March 31, 2014, was prepared under my direction in accordance with the *Fiscal Management Act* and the government's accounting policies. All of the government's policy decisions as at May 30, 2014, with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.

[Original signed by]

Heather Klimchuk
Minister of Culture

Message from the Minister

The past year was challenging as the province worked to recover from the devastating effects of the 2013 Alberta floods. The impacts of this unprecedented flooding were significant and touched almost every sector of Alberta's cultural community, both in southern Alberta and Fort McMurray. My ministry was integral to recovery efforts, from providing funding support to impacted cultural organizations to helping salvage and conserve historical artifacts. Even with the challenges of the past year, we remained committed to building Alberta and supporting our province's cultural policy, *The Spirit of Alberta*, by encouraging the arts and cultural industries, promoting and preserving our heritage, and fostering relationships within our nonprofit/voluntary sector to help build even more inclusive and engaged communities.

In July 2013, 24 Albertans were appointed to a renewed Premier's Council on Culture with a mandate to develop a long-term, provincewide culture plan and identify innovative approaches to promote and support the sustainability of Alberta's culture sector. I helped host a government gathering prior to the Social Enterprise World Forum in October 2013 where officials from across the country examined social finance, social innovation and the concept of social enterprise. In January 2014, the ministry announced $5 million in funding for the development of a new film studio in southern Alberta that will help ensure the continued success, viability and business attraction of Alberta's screen-based production sector.

Our province's vibrant culture was showcased during Alberta Culture Days 2013, a three-day celebration drawing thousands of Albertans to 1,455 events in 94 communities. The ministry also launched the new Alberta Culture Calendar mobile app that allows Albertans to easily find activities in their communities.

Investment in communities through grant programs is another way we work to help build strong and healthy communities. In 2013-14, more than $135.9 million was provided to support 2,779 initiatives, including $23.3 million to encourage and promote the arts; $4.1 million to protect and promote Alberta's heritage and $26.3 million to film and other cultural industries. Our ministry also provided support internationally, giving $125,000 in humanitarian aid to Ukraine and $500,000 in disaster relief to the Philippines in the wake of Typhoon Haiyan.

Many activities commemorated Alberta's history, including a ceremony at Frank Slide Interpretive Centre observing the 110th anniversary of Canada's deadliest rockslide, and celebrations marking the centennial of Government House. To increase access to historical resources, construction began on the new Royal Alberta Museum in downtown Edmonton. I am also proud that military personnel and their families were granted free admission to any Alberta Culture heritage facility across the province in perpetuity. Our ministry also continues to be the largest provider of kindergarten to grade 12 education programs in Alberta outside the school system, with over 112,000 students participating in approximately 4,000 heritage programs last year.

To support and further develop Alberta's French-speaking community, the Canada-Alberta Agreement on French-Language Services was renewed. I also joined federal, provincial and territorial ministers in Winnipeg for the 18th Ministerial Conference on the Canadian Francophonie to share ideas and best practices on promoting intergovernmental cooperation in support of Canada's francophone communities.

These are just a few examples of what my ministry accomplished in 2013-14 to help build an even better Alberta where culture matters and enriches our everyday experiences.

[Original signed by]

Heather Klimchuk
Minister of Culture

Management's Responsibility for Reporting

The Ministry of Culture includes the Department of Culture and the reporting entities listed in the ministry overview chart on page six.

The executives of the individual entities within the ministry have the primary responsibility and accountability for the respective entities. Collectively, the executives ensure the ministry complies with all relevant legislation, regulations and policies.

Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and strategic plan, annual report, quarterly reports and other financial and performance reporting.

Responsibility for the integrity and objectivity of the consolidated financial statements and performance results for the ministry rests with the Minister of Culture. Under the direction of the minister, I oversee the preparation of the ministry's annual report, including consolidated financial statements and performance results. The consolidated financial statements and the performance results, of necessity, include amounts that are based on estimates and judgments. The consolidated financial statements are prepared in accordance with the Canadian public sector accounting standards. The performance measures are prepared in accordance with the following criteria:

- Reliability – information agrees with underlying data and the sources used to prepare it.
- Understandability and Comparability – current results are presented clearly in accordance with the stated methodology and are comparable with previous results.
- Completeness – performance measures and related targets match those included in Budget 2013.

As deputy minister, in addition to program responsibilities, I am responsible for the ministry's financial administration and reporting functions. The ministry maintains systems of financial management and internal control which give consideration to costs, benefits and risks that are designed to:

- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money;
- provide information to manage and report on performance;
- safeguard the assets and properties of the province under ministry administration;
- provide Executive Council, the President of Treasury Board, the Minister of Finance and the Minister of Culture information needed to fulfill their responsibilities; and
- facilitate preparation of ministry business plans and annual reports required under the *Fiscal Management Act.*

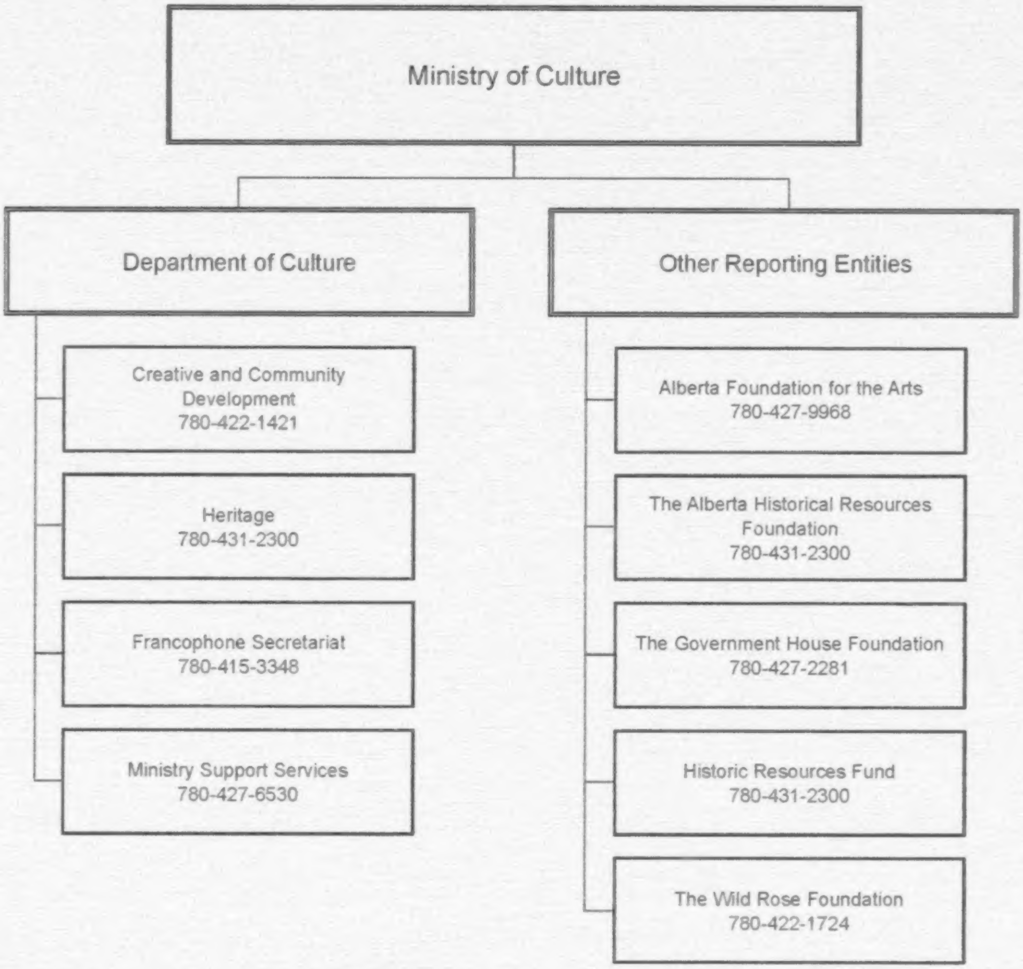
In fulfilling my responsibilities for the ministry, I have relied, as necessary, on the executives of the individual entities within the ministry.

[Original signed by]

Ernie Hui
Deputy Minister of Culture
May 30, 2014

Results Analysis

Ministry Overview


Ministry of Culture
Department of Culture
Other Reporting Entities
Creative and Community Development 780-422-1421
Heritage 780-431-2300
Francophone Secretariat 780-415-3348
Ministry Support Services 780-427-6530
Alberta Foundation for the Arts 780-427-9968
The Alberta Historical Resources Foundation 780-431-2300
The Government House Foundation 780-427-2281
Historic Resources Fund 780-431-2300
The Wild Rose Foundation 780-422-1724

The following description of the ministry's structure provides an overview of the range of programs and services available to Albertans.

Department

1. Creative and Community Development

The Creative and Community Development Division supports a wide range of community and cultural endeavours through education programs and services; collaboration, facilitation, training and consultation services; and financial support to organizations. The division works closely with Alberta's nonprofit/ voluntary sector in developing its ability to provide community services. Community grant programs such as the Community Facility Enhancement Program, Community Initiatives Program and Other Initiatives Program offer a diverse range of financial supports to meet the needs of nonprofit/voluntary organizations.

The division provides support to the Alberta Foundation for the Arts for grant programs and services dedicated to developing and showcasing the arts. It also manages the Northern and Southern Alberta Jubilee Auditoria that provide Albertans the opportunity to experience world-class entertainment and to perform in premier venues. Alberta Film collaborates with the film, television and digital media industry to facilitate growth and attract foreign productions to the province. Financial incentives are provided through the Alberta Media Fund to screen-based production, sound recordings and book and magazine publishing. The division also helps Albertans make informed viewing choices by providing film classification services and licences to commercial film distributors that operate in Alberta.

2. Heritage

The Heritage Division preserves, protects and presents Alberta's natural and cultural history. The division carries out its mandate by managing and operating a network of 20 provincial heritage facilities consisting of the Provincial Archives of Alberta, Royal Alberta Museum, Royal Tyrrell Museum of Palaeontology, Reynolds-Alberta Museum, Ukrainian Cultural Heritage Village, Remington Carriage Museum and 14 historic sites and interpretive centres. It also manages the provincial heritage collections, and develops and delivers education programs, exhibitions and special events. The division regulates land-based development activities in the province to preserve significant historical resources, and protects designated historic places, archaeological and palaeontological sites and historic buildings. It also provides support to the Alberta Historical Resources Foundation and the Government House Foundation.

3. Francophone Secretariat

The Francophone Secretariat serves as a liaison between the Government of Alberta and Alberta's francophone community. It disseminates information in French on government programs and services and clarifies and represents the needs of the francophone community within government. The secretariat manages the Canada-Alberta Agreement on French-Language Services that provides funding to government departments and agencies and francophone community organizations to support the delivery of services in French. The secretariat also coordinates the Government of Alberta's participation in organizations and events such as the annual Federal-Provincial-Territorial Ministerial Conference on the Canadian Francophonie.

4. Ministry Support Services

Ministry Support Services include the minister's office; deputy minister's office; communications; human resource services; and policy and strategic corporate services. These services are provided to the entire ministry to optimize operating efficiency.

Other Reporting Entities

1. Alberta Foundation for the Arts

The Alberta Foundation for the Arts provides funding to artists and arts organizations to encourage the growth and development of the arts sector in Alberta. Grants from the foundation help to provide opportunities for public participation in, and enjoyment of, the arts; for artists to develop excellence in artistic practice; and for organizations to increase capacity for arts programming. In addition, the foundation collects visual art of artistic and historical significance by Alberta artists and supports programming to display artwork from the collection in communities throughout the province, nationally and internationally.

2. The Alberta Historical Resources Foundation

The Alberta Historical Resources Foundation provides grant assistance for community-based heritage initiatives across the province. These include conservation of historical buildings and main street heritage districts, as well as the development of interpretive markers, publications and educational projects. In addition, the foundation is responsible for the naming of geographical features in Alberta and supporting the activities of several heritage societies.

3. The Government House Foundation

The Government House Foundation cares for and promotes the interests of Government House, the former home of Alberta's lieutenant governors. The foundation advises the minister on the preservation of Government House as a historic site and building, and enhances the physical attributes of Government House, including its works of art and furnishings.

4. Historic Resources Fund

The purpose of the Historic Resources Fund is to protect, enhance, promote and display Alberta's historical resources. This is done through funding programs designated by the lieutenant governor in council and by promoting the use and development of related facilities.

5. The Wild Rose Foundation

The Wild Rose Foundation was established to support Alberta's voluntary sector and promote volunteerism through the provision of financial assistance, skills development and training, and recognition initiatives. The foundation currently provides funding for the annual Vitalize Provincial Voluntary Sector Conference.

AUDITOR
GENERAL
Alberta

Review Engagement Report

To the Members of the Legislative Assembly

I have reviewed the performance measure identified as reviewed by the Office of the Auditor General in the Ministry of Culture's Annual Report 2013–2014. The reviewed performance measure is the responsibility of the ministry and is prepared based on the following criteria:

- *Reliability*—The information used in applying performance measure methodology agrees with underlying source data for the current and prior years' results.
- *Understandability*—The performance measure methodology and results are presented clearly.
- *Comparability*—The methodology for performance measure preparation are applied consistently for the current and prior years' results.
- *Completeness*—The goal, performance measure and related target match those included in the ministry's budget 2013.

My review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of enquiry, analytical procedures and discussion related to information supplied to me by the ministry.

A review does not constitute an audit and, consequently, I do not express an audit opinion on the performance measure. Further, my review was not designed to assess the relevance and sufficiency of the reviewed performance measure in demonstrating ministry's progress towards the related goal.

Based on my review, nothing has come to my attention that causes me to believe that the performance measure identified as reviewed by the Office of the Auditor General in the ministry's annual report 2013–2014 is not, in all material respects, presented in accordance with the criteria of reliability, understandability, comparability and completeness as described above.

[Original signed by Merwan N. Saher, FCA]

Auditor General

April 28, 2014

Edmonton, Alberta

Performance measure reviewed by the Office of the Auditor General is noted with an asterisk (*)

on the Performance Measures Summary Table.

Performance Measures Summary Table

	Goals/Performance Measure(s)	Prior Years' Results				Target	Current Actual
1.	**Alberta has a thriving culture that is valued by Albertans**						
1.a	Percentage of adult Albertans who feel that historical resources in Alberta communities are important in contributing to the overall quality of life in Alberta*	95.4% 2009-10	93.3% 2010-11	94.2% 2011-12	93.9% 2012-13	95.0%	94.2% 2013-14
1.b	Percentage of adult Albertans who feel arts activities are important in contributing to the overall quality of life in their community	91.4% 2009-10	90.9% 2010-11	90.5% 2011-12	91.2% 2012-13	91.0%	87.6% 2013-14
2.	**Alberta's rich heritage is promoted, and historical resources are preserved and accessible to Albertans, Canadians and international audiences**						
2.a	Percentage of adult Albertans who visited a heritage facility in Alberta	60.9% 2009-10	61.3% 2010-11	58.8% 2011-12	63.2% 2012-13	60.0%	58.4% 2013-14
2.b	Percentage of adult Albertans who agree that overall historical resources are being adequately protected and preserved in Alberta communities	64.6% 2009-10	65.5% 2010-11	65.2% 2011-12	63.6% 2012-13	65.0%	68.4% 2013-14
3.	**Alberta has resilient, inclusive and engaged communities supported by a strong nonprofit/voluntary sector**						
3.a	Percentage of adult Albertans who volunteered in their community	82.7% 2009-10	72.3% 2010-11	80.4% 2011-12	89.5% 2012-13	80.0%	83.9% 2013-14
3.b	Percentage of customers satisfied with capacity building facilitation services and workshops	97.6% 2009-10	96.8% 2010-11	97.6% 2011-12	98.0% 2012-13	99.0%	97.7% 2013-14
4.	**Alberta has a sustainable, vibrant arts and creative and cultural industry community that inspires creativity and innovation and is essential to how we live and work**						
4.a	Dollars spent in Alberta as a result of film and television productions supported by the Alberta Media Fund ($million)**	$93.4 2009-10	$63.5 2010-11	$75.5 2011-12	$79.5 2012-13	$65.0	$78.2 2013-14
4.b	Percentage of adult Albertans who participated in arts activities or events***	90.7% 2009-10	89.5% 2010-11	86.0% 2011-12	90.8% 2012-13	90.0%	89.4% 2013-14

* Indicates the performance measure that has been reviewed by the Office of the Auditor General. This performance measure was selected for review by ministry management based on the following criteria established by government:

- Enduring measures that best represent the goal,
- Measures for which new data is available, and
- Measures that have well established methodology.

** Target was based on committed productions and funding available from the Alberta Media Fund.

*** This measure is also included in *Measuring Up* 2014 under goal one. Data for this measure for years 2009-10 to 2013-14 were audited by the Office of the Auditor General as indicated in the *Measuring Up* auditor's report.

For more detailed information see Performance Measures: Data Sources and Methodology on page 181

Discussion and Analysis of Results

Overall assessment of 2013-14

In 2013-14, the ministry continued to enhance Alberta's quality of life and continued to focus on the government's Building Alberta Plan, fostering growth and developing sustainability within Alberta's cultural sector. The year will also be remembered for the June 2013 floods in southern Alberta, the worst flooding in Canada's history.

More than 140 historic resources are located within flood areas, and ministry funding assisted with the reconstruction and helped address increased demands and pressure put on critical programming as a result of the floods. To ensure historic resources of the province were preserved, heritage organizations and owners of designated historic resources were provided access to $3.0 million in grants through the Alberta Museums Association and Archives Society of Alberta to help with rebuilding efforts. Further support of $15 million, including $12.3 million from the Ministry of Culture and $2.7 million from the Ministry of Municipal Affairs is being targeted through 2014-17 for conservation of museums, archives, historic buildings, archaeological and palaeontological sites and to repair flood damage at the Turner Valley Gas Plant site. Ministry staff contributed to recovery efforts by going to High River and worked on artifact salvage, triage and conservation at the town's museum. The ministry contributed to the initial impact assessments and distributed information to property owners, insurance adjusters and contractors outlining the first steps in the recovery of flood-damaged historic buildings.

Through the Alberta Foundation for the Arts, the ministry pledged $229,000 in matched funding for individual donations to the Alberta Arts Flood Rebuild Fund, supporting the recovery for southern Alberta artists and arts organizations. A major flood relief concert was held at the Southern Alberta Jubilee Auditorium with the ministry providing free space and staffing for technical and front house staff. The ministry supported communities by working with the Calgary Arts Development Authority to arrange artists to perform at the pre-loaded debit card distribution sites.

In January 2014, the ministry supported the development of temporary neighbourhoods for Albertans displaced by the floods. Led by the Ministry of Municipal Affairs, ministry staff worked with residents and service providers to build a sense of community, moving beyond providing the basic needs of accommodation and food. Ministry Community Development Services engaged with individuals, groups and organizations, networks and partnerships, and other ministries developing and creating linkages with service providers and making referrals and connections.

Special funding was provided through the Nonprofit/Voluntary Sector Special Flood Recovery Program to assist the nonprofit/voluntary sector. The funding was intended to address costs associated with flood impacts not covered by insurance or the Disaster Recovery Program, such as costs associated with damage to infrastructure, relocation expenses, increased operational costs or increased demand for programs and services from clientele who experienced significant loss or trauma as a result of the floods. In 2013-14, 13 applications were approved for a total of $1 million through the Community Facility Enhancement Program and the Community Initiatives Program. This support continues into 2014-15 with $3 million being available for flood relief, split evenly between the two programs.

The funding and activities related to the recovery demonstrate the ministry's ongoing role in building Alberta by fostering growth and developing sustainability within the cultural sector.

Goal One

Linked to Core Business one – promote the social and economic value of culture to Albertans

Alberta has a thriving culture that is valued by Albertans

Overview

The ministry helps ensure Alberta is recognized at home and abroad for its unique culture, its cultural tourism opportunities and its distinct and authentic people, places and attitude. It helps build creative and strategic partnerships in areas such as the culture and education sectors. The ministry also leverages Alberta's culture to connect people and communities with our heritage, ideals and values while attracting and retaining newcomers, investors, creative people, visitors and employers.

Results

The renewed Premier's Council on Culture was appointed in July 2013 with a mandate to: champion *The Spirit of Alberta*, Alberta's cultural policy, in the community; assist in the development and implementation of the Culture Plan; promote an understanding among Albertans of the benefits of participating in and supporting cultural activities; and identify innovative approaches, partnerships and funding models for the promotion and support of culture in Alberta. Members of the council come from diverse backgrounds and sectors including the arts, post-secondary, business, heritage, and the nonprofit/volunteer sector. The council advises the Minister of Culture and Premier on innovative approaches and partnerships to strengthen the sustainability of the culture sector in Alberta. A major focus of their work since their first meeting in September 2013 has been the development of a Culture Plan for presentation to the Minister of Culture in the fall of 2014.

DID YOU KNOW?

Through changes to legislation that began in spring 2013, the provincial shield was designated as Alberta's 13th official emblem. The shield is available for use by all Albertans to showcase provincial pride without restriction or permission, as long as the image is not altered.

Alberta Culture Days is an annual, three-day celebration of heritage, cultural diversity and provincial pride. From September 27-29, 2013, thousands of Albertans participated in 1,455 events in 94 communities. To generate awareness and understanding of the value of culture to Albertans, most provincial museums and heritage sites offered free admission as part of the celebration. The ministry held a social media contest inviting Albertans to create videos sharing their experiences. Kickoff celebrations held in Edmonton and Calgary marked the start of Culture Days 2013 and encouraged Albertans to participate in the event.

To further promote the value of Alberta's culture, 66 community organizations across the province received $375,000 in financial support from the ministry to host Alberta Culture Days events. Five feature celebration and 61 host celebration sites built community partnerships and increased access to cultural experiences in communities for Alberta families by offering free, family-friendly activities from festivals and art shows to backstage tours and culinary samplings.

A new mobile app version of the Alberta Culture Calendar was released for iPhones and iPads in August 2013. App users can easily find and share events by scrolling a map of Alberta or searching by community, category, date, or by scrolling a map of Alberta. As of March 31, 2014 there had been 2,755 downloads. During 2013-14, approximately 9,300 events were registered, surpassing last year's total of 5,000.

In 2013-14, the ministry supported the inaugural year of the Tour of Alberta, Canada's first major international pro-cycling race. Alberta's thriving culture was on display throughout the six day event at 10 community festivals that featured food and cultural entertainment. Working with local organizing committees, sponsors and partners, the Ministries of Culture and Tourism, Parks and Recreation showcased a wide variety of Alberta food products and cuisine, performing artists and travel experiences at the Tour of Alberta festivals. Each ministry invested $250,000 to support cultural, culinary and festival experiences along the route, which were enjoyed by more than 136,000 spectators. In total, the event generated a net economic impact of over $10.9 million in Alberta and created the equivalent of 172 person-years of employment. The event attracted more than one million views worldwide.

DID YOU KNOW?

The play "Never Let the Crew See You Cry", performed at the 2013 Edmonton International Fringe Theatre Festival, marked the sixth collaboration between the Provincial Archives of Alberta and the local theatre community. The play, chosen by Theatre Alberta and the Alberta Arts Touring Alliance as one of three productions featured in the Alberta Showcase, presented vivid archival sourced portraits of friendship and romance, and reflected the roles Alberta women took during both wartime and peace.

In partnership with the Alberta Teachers Association Fine Arts Council, the Alberta Foundation for the Arts further incorporated culture into the education experience of young Albertans by collaboratively developing lesson plans relating to the fine arts curriculum. Using the new Art House collections database to connect students with Alberta art and artists in their learning experience, final lesson plans are being made available through the foundation's website and will be launched with teachers in October 2014. Teachers will have access to high-quality Alberta art to illustrate the curriculum and expose Alberta artists to a wider audience. The Alberta Foundation for the Arts, through the Travelling Exhibition Program, also made available 12 new lesson plans featuring Alberta art and artists. Each catalogue contains up to five lesson plans that have set learning outcomes and can be adapted to the classroom curriculum. Lesson plan catalogues were distributed to more than 100 elementary and high schools throughout Alberta in both rural and urban areas. An Education In-Service Initiative Program pilot project was also launched to increase engagement with, and knowledge of, educational materials and plans accompanying exhibitions.

The ministry is continuing to collaborate with the Ministry of Education on curriculum re-design, specifically looking at ways of incorporating the nonprofit/voluntary sector in the new curriculum. Discussions are also ongoing on opportunities for collaboration on kindergarten to grade 12 heritage programs. This information will be used to enhance on-site, in-school, videoconference and web-based programs for students and

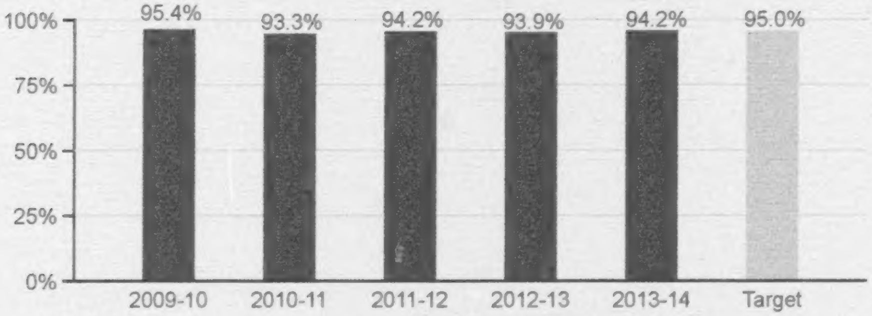
DID YOU KNOW?

For the fourth straight year, the Distance Learning Programs at the Royal Tyrrell Museum of Palaeontology won a Pinnacle Award from the Centre for Interactive Learning and Collaboration for kindergarten to grade 12 student content.

teachers throughout the province. Heritage education programs currently have learning objectives that are specified in the Alberta education curriculum and several have been formally accredited. Approximately 112,000 Alberta students participate each year in museums and historic sites, in schools and by videoconference, and content is tailored to specific ages, grades and curricula. Through the delivery of these programs the ministry continues to be the largest provider of education programs in Alberta outside the formal school system.

Performance Measures

1.a Percentage of adult Albertans who feel that historical resources in Alberta communities are important in contributing to the overall quality of life in Alberta



Source: Survey of Albertans on Culture

Description

This measure indicates the percentage of adult Albertans who feel that historical resources in Alberta communities are important in contributing to the overall quality of life in Alberta. The examples used for historical resources are museums, archives, historic sites and interpretive centres.

Results

The result of 94.2 per cent was 0.8 per cent lower than the 2013-14 target of 95.0 per cent, but remains exceptionally high and consistent with previous results.

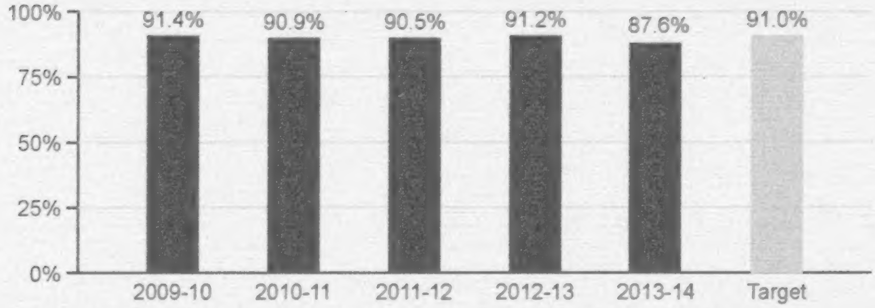
Analysis

When asked about each of the potential benefits of Alberta's historical resources and heritage facilities, 97.0 per cent of Albertans responded that the opportunity for education and lifelong learning experiences was important to them overall and of those, 78.4 per cent responded that it was very important. Albertans also felt that heritage was important in providing recreational opportunities (97.1 per cent) and for visitor spending in local communities (93.7 per cent). Overall, 96.2 per cent believed that preserving heritage resources was important to them.

The ministry continued to raise awareness of Alberta's historic resources by offering free admission and activities at Alberta provincial museums and historic sites during Family Day, Alberta Culture Days and Seniors' Week. Education programs and online access to museums and historic sites also contribute to results.

Effective as of March 2014, in recognition of their service, military personnel and their families have free unlimited admission to the five government-owned and operated museums and 14 historic sites and interpretive centres. Through free admission using their CFOne Card, it is hoped that military personnel have an opportunity to reconnect with their families, while learning about and celebrating the province's past.

1.b Percentage of adult Albertans who feel arts activities are important in contributing to the overall quality of life in their community



Source: Survey of Albertans on Culture

Description

This measure indicates the percentage of adult Albertans who feel arts activities are important in contributing to the overall quality of life in their community.

Results

The result of 87.6 per cent was 3.4 per cent lower than the 2013-14 target of 91.0 per cent and 3.6 per cent lower than last year's result.

Analysis

In 2013-14, the vast majority of Albertans considered arts activities to be an important contributor to their quality of life, consistent with previous results. While the overall result decreased in 2013-14, the percentage that indicated arts activities were very important in contributing to the overall quality of life in their community increased by 2.9 per cent from 2012-13 to 45.9 per cent.

An individual's perception of the importance of the arts contributing to quality of life can be influenced by the economy, free time, health and access to arts events and activities within their community.

Ministry programming contributes to arts participation in Alberta primarily through providing operating grants to nonprofit organizations that host arts events, and this may or may not impact Albertans' perceptions about the arts as contributing to quality of life. The ministry also collaborates with the Ministry of Education to further incorporate culture into the education experience of young Albertans that will, over time, impact results.

In 2013-14, the ministry provided $200,000 to support the funding of Beakerhead, a new arts and engineering collaboration. Celebrating innovation and creativity, the five-day event in Calgary brought together the arts and engineering sectors to build, compete and exhibit interactive works of art and entertainment. Beakerhead offered 70 events over five days, including free outdoor exhibits and street performances, ticketed events, a speaker and workshop series, a citywide open air museum called Beakernight, pop-up city structures, arts cars, and "Sustainival", a green carnival and midway with rides and amusements powered by renewable energy sources such as vegetable oil and wind.

Goal Two

Linked to Core Business two – preserve Alberta's historic resources and make them accessible

Alberta's rich heritage is promoted, and historical resources are preserved and accessible to Albertans, Canadians and international audiences

Overview

Culture supports this goal by operating and promoting a network of provincial heritage facilities that comprises five major museums, 14 historic sites and interpretive centres, and the Provincial Archives of Alberta. Its responsibilities include managing an irreplaceable legacy of millions of historic and scientific objects, specimens and records. Curriculum-based and general interest programs, exhibits, events and activities provide learning opportunities for children, students and adults. The ministry administers the *Historical Resources Act*, which empowers the province and municipalities to protect highly significant historic places through special designation. The act also enables the ministry to manage undesignated sites through a variety of conservation measures. As of March 31, 2014, there were 630 designated Provincial Historic Resources and Municipal Historic Resources throughout Alberta. The ministry regulates land-based development activities to preserve significant historic resources and ensure that industry adopts appropriate heritage management practices. The Alberta Historical Resources Foundation provides advice and funding assistance for historical preservation and presentation.

Results

To increase access to historical resources, construction of the new Royal Alberta Museum began in January 2014 in downtown Edmonton. The new museum will be a cultural and educational attraction for Albertans and visitors from around the world. With double the gallery space of the existing museum, it will feature many new highlights including a special children's gallery, human history gallery and space for top international touring exhibitions. In September 2013, a postcard campaign, Museum Memories, was launched allowing Albertans to share what they treasure most about visiting the museum over the years, with the use of postcards paying tribute to the Post Office's tenure at the site of the new Royal Alberta Museum. Both paper and electronic versions of the postcards were available to the public, and a number of the most unique memories were posted on the museum's Facebook site. Gallery design for more than 7,600 square metres of public exhibition space continued throughout 2013-14, concentrating on advancing the stories that will reveal aspects of Alberta's diverse natural and cultural history. Additionally, to create and support exhibit infrastructure in the new museum, an off-site storage facility has been established as part of the museum's redevelopment.

DID YOU KNOW?

In June 2013, the Royal Alberta Museum became one of the first Canadian museums with an interactive indoor map on Google. Visitors can use the Google Maps website or app to find their way around the beautiful museum. It's anticipated that this technology will prompt new audiences to visit for the very first time and inspire regular visitors to return. See the map at http://tinyurl.com/ktry79b.

DID YOU KNOW?

TripAdvisor recognized the Royal Alberta Museum with a 2013 Certificate of Excellence. This prestigious award, which places the museum in the top-performing 10 per cent of all businesses worldwide on TripAdvisor, is given to businesses that consistently earn high ratings from TripAdvisor travellers.

To address thematic gaps in heritage collections, criteria and priorities for each site were identified and a plan is being developed to engage stakeholders in the preservation of potential sites associated with these gaps.

To further address thematic collection issues, progress was made renewing the Alberta Main Street Program. Since 2007, the program has grown into a network of communities that view streetscapes and buildings in historic commercial areas as part of each community's character. There are now five communities in the renewed program: Camrose, Olds, Wainwright, Lethbridge, and Edmonton's Old Strathcona district. Local community coordinators meet quarterly to talk about best practices and learn from one another on topics such as downtown revitalization, streetscape and historic building revitalization, completing historic places inventories and infrastructure projects.

The 2013 Municipal Heritage Forum, which focused on "The ABC's of Conservation," took place September 19-20th at the Ukrainian Cultural Heritage Village and in Edmonton's Old Strathcona Provincial Historic Area. It was attended by approximately 100 representatives from more than 35 municipalities. The forum included case studies on the application of standards and guidelines on the conservation of historic places as well as hands-on workshops explaining historic building techniques. The closing keynote focused on the significant role that historic places play in shaping and making meaningful places in which Albertans live, work and play.

DID YOU KNOW?

The Reynolds-Alberta Museum added the 100th airplane to its collection, the Conair Firecat, with an official handover ceremony on July 27, 2013. This firefighting aircraft was originally built as a Grumman S-2 Tracker, an anti-submarine aircraft that served with the Royal Canadian Navy from 1956 to 1990. Conair Group, Canada's largest provider of firefighting aircraft, purchased 35 surplus Grumman S-2 Trackers and heavily modified them to fight fires, renaming them Conair Firecats.

DID YOU KNOW?

The ministry looks after the Alberta Register of Historic Places that, as of January 29, 2014, included 228 places recognized as Municipal Historic Resources and 360 places recognized as Provincial Historic Resources.

The ministry worked to identify sites of historic significance to the francophone community. This work will help protect and promote greater awareness of Alberta's francophone heritage. Ministry staff also undertook research on the history of energy development in Alberta. While the energy industry has been an essential contributor to Alberta's economic and social history, there are few sites associated with the industry that have been legally protected. The research identified energy resource sites of historic value that may merit legal protection.

To further expand access to heritage sites, plans were developed to commemorate the 100th anniversary of the Dingman No. 1 discovery well at the Turner Valley Gas Plant National and Provincial Historic Site in May

2014. The gas plant was western Canada's first commercial oilfield and was decommissioned in 1985. The site highlights the origins of Alberta's oil and gas industry, and the themes and stories that affect and motivate industry and the public today.

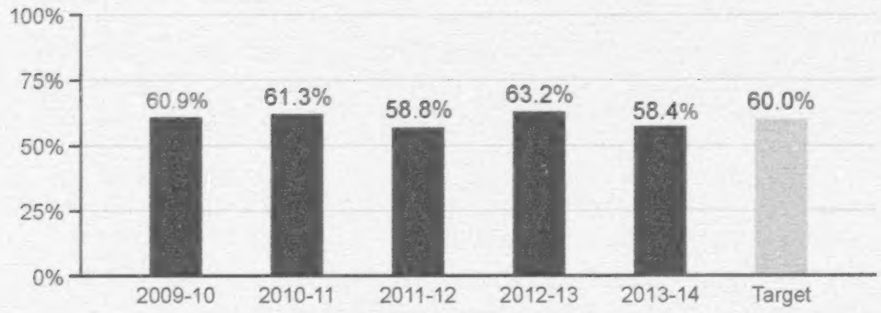
A number of initiatives took place to celebrate the centennial of Government House, National Historic Site and Provincial Historic Resource. Centenary exhibitions included: documenting the development and uses of the house since its opening in 1913, repatriation of original house furnishings sold off at auction in 1942, additional hours of public access, and the publication of a 224-page book documenting the history of the house over the past 100 years. With 1,600 copies of the book printed, it was made available to public and reference libraries throughout Alberta and is also available for sale.

The Frank Slide Interpretive Centre hosted a commemorative ceremony in cooperation with the Crowsnest Historical Society and Crowsnest Heritage Initiative to mark the 110th anniversary. The rockslide claimed approximately 90 lives in the community of Frank. The interpretive centre displayed a special historical photo exhibit on the town of Frank as well as audio-visual presentations recounting Canada's deadliest rockslide and its aftermath.

DID YOU KNOW?

Head-Smashed-In Buffalo Jump offered a full day of activities to mark National Aboriginal Day on June 21, 2013. The celebrations included traditional food sampling, traditional games demonstrations, First Nations arts and crafts and storytelling. National Aboriginal Day recognizes the unique heritage, cultures and contributions of First Nations, Inuit and Métis people in Canada.

2.a Percentage of adult Albertans who visited a heritage facility in Alberta



Source: Survey of Albertans on Culture

Description

This measure provides an indication of how many Albertans visited a heritage facility in Alberta in the past year. The heritage facilities included in this measure are not limited to those operated by the ministry.

Results

The result of 58.4 per cent was 1.6 per cent lower than the 2013-14 target of 60.0 per cent and 4.8 per cent lower than last year's result.

Analysis

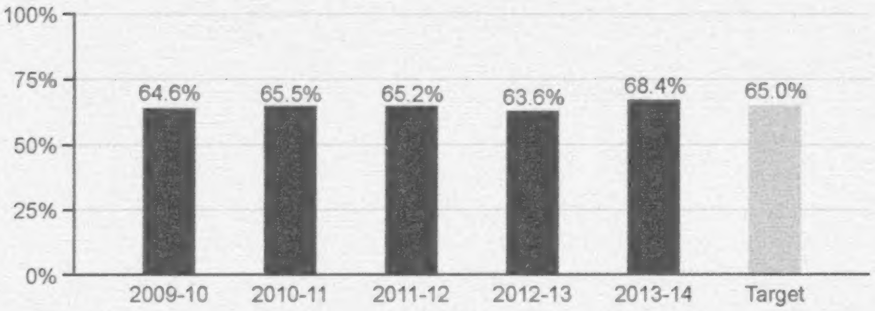
When asked to list the reasons for their visit, 45.4 per cent of Albertans responded it was out of curiosity and pleasure, 35.3 per cent visited for educational purposes, 34.8 per cent indicated they had a special interest in history and 28.8 per cent indicated it provided a good family activity and an opportunity to show their children Alberta's heritage.

Albertans' visitation to heritage facilities is influenced by many factors, including the condition and types of events and exhibits, and other available entertainment or educational opportunities. In 2013-14, more than 812,000 people visited provincially operated heritage facilities, indicating the importance of these facilities to Albertans. Lower visitation at the Royal Alberta Museum in 2013-14 (due to reduced programming and feature exhibits as preparations are underway for the move to the new facility) impacted the result, with the museum accounting for approximately one-fifth of all visits to provincially operated heritage facilities.

Creative advertising, social media, renewed exhibits, new programs and free admission during events such as Family Day, Seniors' Week and Alberta Culture Days contributed to the number of Albertans who visited a heritage facility. From September 27-29th, 2013, over 10,000 visitors enjoyed free admission to 11 provincially operated heritage sites during Alberta Culture Days.

After being closed for nearly two years, the newly renovated Cretaceous Garden at the Royal Tyrrell Museum of Palaeontology reopened to the public over May 2013 long weekend. This exhibit is Canada's largest collection of prehistoric plant relatives and represents what plant life was like when dinosaurs roamed Alberta.

2.b Percentage of adult Albertans who agree that overall historical resources are being adequately protected and preserved in Alberta communities



Source: Survey of Albertans on Culture

Description

This measure assesses how well Albertans perceive the province's historical resources are being preserved and protected. Albertans were asked to think about the government's role as the steward and custodian of historical resources, particularly with respect to historical buildings and archaeological and fossil resources.

Results

The result of 68.4 per cent was 3.4 per cent higher than the 2013-14 target of 65.0 per cent and 4.8 per cent higher than last year's result. The 2013-14 result was the highest result since 2004-05.

Analysis

When asked further about the potential benefits of Alberta's historical resources and heritage facilities, 96.2 per cent of Albertans indicated that the preservation of historical resources was important to them. The preservation and protection activities carried out by the ministry contributed to a positive impact on public perception. For example, in July 2013 the ministry, through the Alberta Historical Resources Foundation, awarded close to $1.3 million in heritage grants to 71 projects to help preserve Alberta's colourful history and legacy of those who helped build the cultural capacity of communities across the province. Of these, approximately $25,000 was provided to the Canadian Northern Historical Society to help with conservation of the Canadian Northern Railway Station and Roundhouse in Big Valley and approximately $70,000 was provided to the Alberta Association of Architects in support of conservation of the J.J. Duggan Residence in Edmonton.

In February 2014, 58 heritage grants were provided totaling $1.03 million supporting community heritage preservation and conservation projects. Grants were awarded to individuals as well as municipalities, nonprofit organizations and businesses to support a range of projects from conservation of designated historic buildings to research projects, publications and heritage inventories. Examples include funding of approximately $16,500 to the Rocky Mountain Rail Society to help maintain the steam locomotive the "Spirit of Alberta", and approximately $25,000 to the Calgary Mosquito Aircraft Preservation Society for the restoration of the Mosquito aircraft to help increase awareness of the work, achievements and sacrifices that were part of the mapping of northern Alberta.

Goal Three Linked to Core Business three – develop inclusive and engaged communities by supporting Alberta's nonprofit/voluntary sector

Alberta has resilient, inclusive and engaged communities supported by a strong nonprofit/voluntary sector

Overview

Culture provides support to this goal through capacity-building initiatives within Alberta's communities and the nonprofit/voluntary sector. This includes working in collaboration with the sector and offering awareness, recognition, leadership and training. The ministry provides facilitation and consultation services, as well as public participation and stakeholder consultation processes to the nonprofit/voluntary sector, community organizations, networks and government entities. To encourage and promote engaged and inclusive communities, the Alberta Nonprofit/Voluntary Sector Initiative enables work towards solutions for critical nonprofit/voluntary sector issues and to improve the services the sector provides to Albertans to promote healthy, active and sustainable communities. The ministry also provides financial support to Alberta's community organizations, nonprofit organizations and public-use facilities through a diverse range of programs and grants.

Results

To determine factors contributing to the effectiveness and sustainability of community coalitions, the ministry partnered with the Ministry of Education and the University of Alberta Community University Partnership on a project entitled "Harvesting the Wisdom of Coalitions in Alberta: A Study on Sustainability of Community Coalitions". A literature review and an inventory of coalitions in Alberta were completed and members and leaders provided information about forming and sustaining coalitions, effective support for coalitions as contributors to the well-being of communities, and supporting coalition development in Alberta.

To develop and strengthen relationships and identify common objectives to address capacity building in the nonprofit/voluntary sector, the ministry led the Capacity Building Forum on November 6, 2013. The forum included 13 key capacity building organizations. Innovative ways to continue to strengthen those relationships were identified, including a proposed provincial capacity building network.

The ministries of Culture and Human Services, in partnership with the Trico Charitable Foundation, hosted the Social Enterprise Government Gathering in Calgary on October 2, 2013, prior to the Social Enterprise World Forum. There were 32 attendees representing seven Canadian jurisdictions as well as participants from the United Kingdom. The gathering provided an opportunity for ministers with responsibility for the nonprofit/voluntary sector, social services and social finance to collaborate and share their vision and insights on social enterprise and social innovation.

The Alberta Nonprofit/Voluntary Sector Initiative Renewal Task Force convened involving many sector and government leaders. They identified efficiencies, created the terms of reference for the Leaders Council and Stewardship Forum and identified issues for the new council to address.

Volunteer Week events and activities were held in 144 communities across the province from April 21-27, 2013, to honour Albertans who volunteer in their communities. The events were sponsored by the ministry through $65,000 in funding, administered by Volunteer Alberta.

Financial support was provided through grant programs to assist nonprofit community organizations to further build engaged and inclusive communities and respond to identified needs across the province. The Community Initiatives Program and the Community Facility Enhancement Program provided $53.6 million through 1,278 grants. An additional 23 initiatives received nearly $5 million in funding support through the Other Initiatives Program.

To support relief efforts in the Philippines after November 2013's Typhoon Haiyan, the Government of Alberta provided $500,000 to match Albertans' donations to the Canadian Red Cross. Funding was provided through the ministry's Other Initiatives Program and coordinated through the Emergency Disaster Relief Program, which considers requests from organizations for disaster situations outside of Canada.

DID YOU KNOW?

In recognition of their volunteerism and leadership in their communities and schools, the Ministry of Culture and the Ministry of Innovation and Advanced Education awarded eight young Albertans the 2013-14 Queen's Golden Jubilee Citizenship Medal in May 2013 and provided $35,000 in grants to recipients.

DID YOU KNOW?

To support arts funding for Edmonton's most vulnerable youth, $750,000 from the Community Facility Enhancement Program was provided to Edmonton's iHuman Youth Society to assist with the purchase of a new facility. iHuman provides innovative arts therapy programming and crisis intervention to victims of neglect and abuse, homelessness, addiction, mental and physical illness, and those involved in high-risk lifestyles including gang activity.

To provide increased access to services and resources for clients and stakeholders in the nonprofit/voluntary sector, a Funders' Forum was delivered by the ministry via video conference on October 9, 2013. It was presented from Edmonton and connected to seven sites and 46 attendees from across the province: Airdrie, Chestermere, Cochrane, Hanna, Lac La Biche, Slave Lake and Edson. The forum provided information on six funding programs: the Alberta Foundation for the Arts, Alberta Historical Resources Foundation, Community Initiatives Program, International Development Grant Program and Community Facility Enhancement Program. Videos have been posted on the Alberta Culture YouTube channel, www.youtube.com/user/AlbertaCulture.

In support of a strong nonprofit/voluntary sector, the Vitalize Provincial Voluntary Sector Conference took place in Edmonton from June 13-15, 2013, and marked its 25th year. This premiere training and development conference offered 50 educational and motivational sessions, and unique professional development and training opportunities to the sector. This year's conference saw 720 delegates from 119 communities representing more than 380 organizations. In response to feedback, the 2013 conference saw the return of the Hop-A-Bus program to increase access and help offset transportation costs for attendees.

The 15th anniversary of the Francophone Secretariat was celebrated at Government House on March 4, 2014, presenting an opportunity for the ministry to connect with community leaders and demonstrate the scope of the government's French services. Established in 1999, the Francophone Secretariat has collaborated with many departments developing services in French including: early childhood services, settlement, health, employment, education, post-secondary education and arts and culture.

To support the development and vitality of Alberta's French-speaking community through the delivery of French-language services, the Canada-Alberta Agreement on French-Language Services was renewed. The five-year agreement enables the province to access $650,000 in annual federal funding to support 34 French language projects in areas such as justice, health, early childhood development, arts and culture, economic development, and heritage preservation.

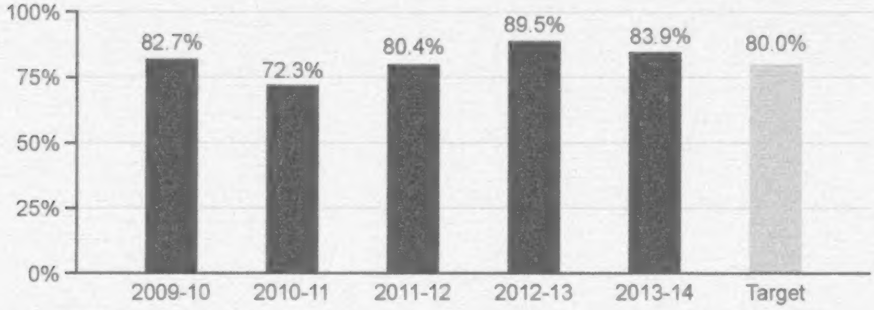
The minister attended the 2013 Ministerial Conference on the Canadian Francophonie in Winnipeg. The meeting of federal and provincial ministers provided an opportunity to discuss issues and opportunities facing the Francophonie in sectors such as immigration, economic development and early childhood development. This annual meeting is also an opportunity for members to share best practices on French-language services and learn from the experiences of government partners across Canada.

DID YOU KNOW?

The Francophone Secretariat launched www.Bonjour.Alberta.ca in 2010 to meet the needs of potential newcomers and over 238,000 French speakers who call Alberta home. In 2013, Bonjour Alberta served between 40,000-45,000 visitors and averaged 120 visits a day. A total of 10 ministries are linked to the site. The three most consulted sections were finding a job; working in Alberta; and living in Alberta, with 82 per cent of the traffic on Bonjour Alberta coming from within Canada, and 65 per cent of that traffic coming from Québec.

Performance Measures

3.a Percentage of adult Albertans who volunteered in their community



Source: Survey of Albertans on Culture

Description

This measure indicates the level of community volunteerism by adult Albertans in the past 12 months. Volunteering is an unpaid contribution of time, energy and/or talents to charitable or nonprofit organizations, causes, community development activities, or help through personal initiative to individuals.

Results

The result of 83.9 per cent was 3.9 per cent higher than the 2013-14 target of 80.0 per cent and 5.6 per cent lower than last year's result.

Analysis

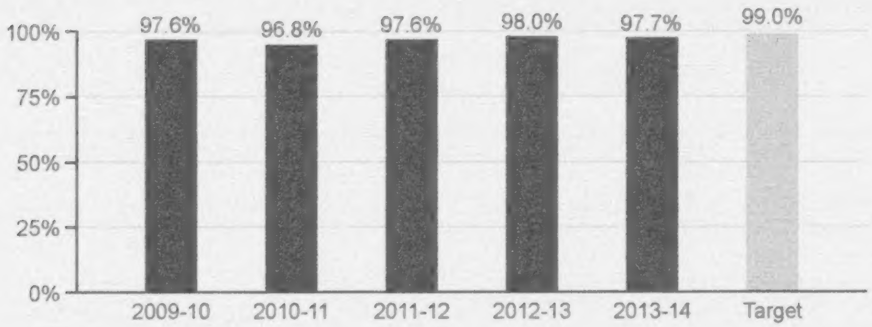
While there was a decrease in the overall volunteerism rate, last year's result of 89.5 per cent was the highest in five years with the biggest increase from informal volunteering (e.g., helping a neighbour in need).This year, informal volunteering remains the most common overall area of volunteering at 71.2 per cent and volunteering in human services (e.g., for a food bank, seniors' centre or an international aid organization) remains the main identified category in which Albertans formally volunteer at 32.1 per cent.

Other decreases in volunteering were seen in the area of arts (-1.4 per cent), sports (-1.3 per cent), and youth development (-0.9 per cent). Volunteering in human services increased (2.0 per cent). There was also an increase in volunteering in the area of recreation (2.5 per cent).

Alberta's volunteerism rate is influenced by the economy, job market, the amount of free time Albertans have to volunteer. Of those Albertans who have not volunteered, 47.8 per cent indicated that their primary barrier was lack of time and 18.6 per cent cited disability or health problems.

The ministry demonstrated the importance of the nonprofit/voluntary sector in Alberta through providing $116,000 to help promote the recognition of volunteers in communities across the province. This included the development of a website portal, www.volunteerville.ca, and distribution of funding to 144 communities to organize events and recognition activities during National Volunteer Week. The ministry also provided training and skill development opportunities to Albertans through the Vitalize Conference and recognized outstanding volunteers through the Stars of Alberta awards.

3.b Percentage of customers satisfied with capacity building facilitation services and workshops



Source: Client Satisfaction Survey: Customer Service Information System

Description

This measure indicates the percentage of clients who were satisfied overall with capacity building facilitation services and workshops provided by the ministry. These services encompass a broad range of activities including planning, knowledge and skill transfer, and facilitation and/or consultation regarding a variety of topics from organizational development to public stakeholder consultations.

Results

The result of 97.7 per cent was 1.3 per cent lower than the 2013-14 target of 99.0 per cent, but remains exceptionally high.

Analysis

Results are affected by a steady and high demand for facilitation and public participation services and training workshops. The ministry's focus on customizing services and workshops to meet the needs of the client had a positive influence on results. In 2013-14, the ministry provided a broad range of capacity-building facilitation services and workshops to rural and urban nonprofit/voluntary sector organizations and government organizations across Alberta.

The ministry worked with 581 rural and urban community organizations, municipalities and other ministries on more than 630 projects to help communities and government build on their strengths, address issues and achieve their goals. Examples of the work included assistance with developing strategic plans and fund development, board governance training, facilitation training, community collaboration, and facilitation of public engagement and stakeholders consultations. These projects involved more than 960 individual sessions with more than 14,400 participants.

Goal Four

Linked to Core Business four – support the growth, participation in and appreciation of the arts in Alberta

Alberta has a sustainable, vibrant arts and creative and cultural industry community that inspires creativity and innovation and is essential to how we live and work

Overview

The ministry works with artists, arts organizations and cultural industries in supporting this goal. This includes preserving, maintaining and displaying Alberta's art collections; providing support to film, television and digital media, sound recordings and book and magazine publishers; and distributing grants to artists and arts organizations through the Alberta Foundation for the Arts. At the Jubilee Auditoria, Albertans have access to a wide variety of cultural and community events, including international touring theatre companies and musicians. Other ministry activities include classifying all films prior to public exhibition, licensing and regulating film distributors, and communicating classifications to movie theatres and media outlets.

Results

In 2013-14, the ministry supported the arts and the creative and cultural industries in Alberta, with the Alberta Media Fund awarding $26.3 million and the Alberta Foundation for the Arts awarding $23.3 million. The foundation created two new grant streams titled Organization: Arts Projects and Professional Performing Arts Organizations to provide access and stability to capacity-building funding for arts organizations.

In order to increase access to the arts and help build capacity in the arts sector, a new software called eMuseum was purchased, developed and made available to the public in February 2014. Offering search functionality to the Alberta Foundation for the Arts art collection, the collections database provides users easy access to almost the full art collection.

In support of, and provision of, resources and opportunities to participate in the creative and cultural industries, Calgary Economic Development was selected through an open competition process to receive $5 million in one-time funding from the ministry towards the development of a film studio for the Calgary region. Its proposal demonstrated strong community engagement and support from the private and nonprofit sectors, post-secondary institutions and Alberta's screen-based production industry. The proposed studio will feature two purpose-built sound stages and 18,000 square feet of warehouse space. Calgary and Southern Alberta account for approximately 80 per cent of production dollars spent in the province and

DID YOU KNOW?

The annual Banff World Media Festival was held in June 2013. The festival is a premiere television creation event and forum for business and creative opportunities for those in digital media. The government is a key funder of the event, bringing together leading edge content producers, media executives, broadcasters and digital entrepreneurs to develop relationships.

studio space is critical for continued success, viability and business attraction of Alberta's screen-based production sector.

To advance professional arts practice, social innovation and community development, the province announced $3.5 million in funding toward a capital project to develop an arts and nonprofit incubator in Calgary called cSPACE King Edward. The development is intended to create an integrated, mixed-use "hub" and to restore the 100-year-old King Edward School to include artist studios, residential and rehearsal space, light retail and affordable office space for various arts and nonprofit organizations.

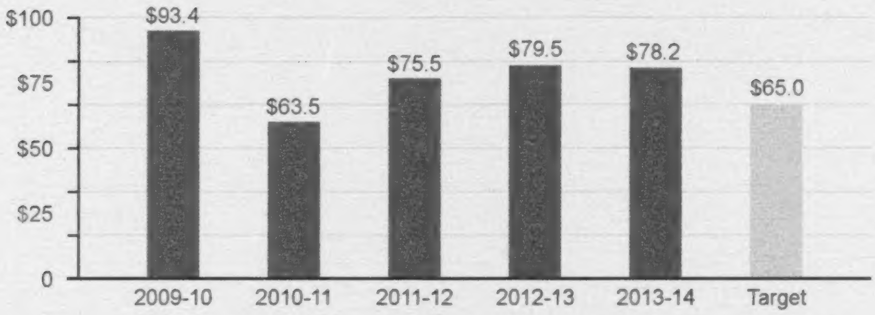
In support of a sustainable, vibrant arts and creative and cultural industry community in the Edmonton Old Strathcona area, the minister announced a grant of $2 million toward the planned renovation of the Varscona Theatre. The Varscona Theatre operates as a collective of local-based theatre companies that support the theatre district, attracting thousands of visitors and helping sustain its economic future and long-term tourist appeal.

DID YOU KNOW?

The Royal Tyrrell Museum of Palaeontology won a Rosie Award at the Alberta Film and Television Awards in May 2013. Best Commercial under $50,000 was awarded to the museum for its unique commercial concept. A production company worked with the museum's small budget of $25,000 to create a scientifically accurate, animated commercial that mixed city landscape with prehistoric animals. The commercial can be viewed on the museum's YouTube channel.

In January 2014, the networking event "Backstage Access" was held to continue to develop expertise in culture communities across Alberta at the Southern Alberta Jubilee Auditorium, following last year's successful event at the Northern Alberta Jubilee Auditorium. It comprised three components: technical theatre seminars delivered by ministry staff and industry experts, a trade show with suppliers from around North America, and a "Roadhouse Roundtable" session for theatre management and booking staff. Representatives from southern Alberta performing arts venues, concert halls, and community or university venues had access to training and expertise not normally available to them. The community was able to access new technology as well as share ideas and experiences about common issues such as ticketing, staffing, client expectations, safety and volunteering opportunities, which develop expertise that can build capacity within the nonprofit culture communities across the province.

4.a Dollars spent in Alberta as a result of film and television productions supported by the Alberta Media Fund ($million)



Source: Alberta Media Fund Production Reports
Note: Target was based on committed productions and funding available from the Alberta Media Fund.

Description

The Alberta Production Grant stream through the Alberta Media Fund supports screen-based programs to develop local production expertise and talent, sustain industry development and continue investment in Alberta-based production. This measure indicates the total dollar expenditure in Alberta of all film productions supported by the fund. Eligible costs generally include all expenditures where the good or service is purchased and consumed in Alberta.

Results

The result of $78.2 million was $13.2 million more than the 2013-14 target of $65.0 million and $1.3 million less than the last year's result.

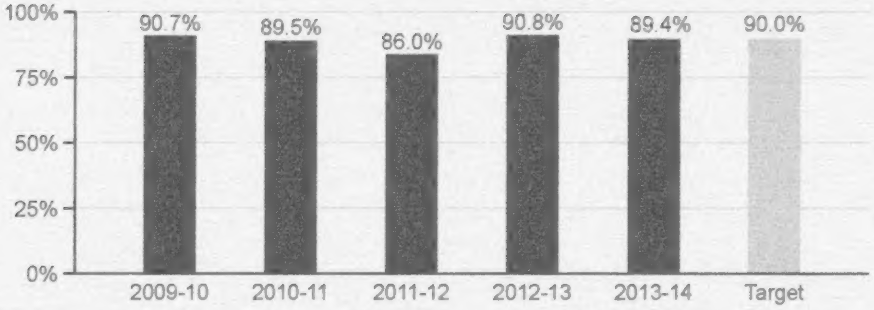
Analysis

A combination of factors impacted the overall result including a major television series not delivering as it was expected to, and other major projects delivering earlier than anticipated. Ministry staff met with companies to ensure productions were not delayed as a result of the June 2013 floods. While some delays did occur, projects were able to deliver as expected.

Alberta's economic climate and the value of the Canadian dollar are key factors that influenced results and Alberta's attractiveness to companies making production commitments. Financial incentives implemented by British Columbia, Ontario, Quebec and several American states also affected Alberta's competitiveness.

In 2013-14, 51 screen-based projects were supported through the fund with over half of the Alberta spend coming from television series productions. Notable series productions include Heartland Season Five and Six, Blackstone, Oil Change, The Liquidator and Going Wild, receiving approximately $13 million and contributing almost $45 million to the Alberta spend. Notable film productions in 2013-14 include The Young and Prodigious T.S. Spivet, The Right Kind of Wrong and The Wizards Christmas, receiving almost $3 million from the fund and contributing over $12.5 million to the Alberta spend.

4.b Percentage of adult Albertans who participated in arts activities or events



Source: Survey of Albertans on Culture

Description

This measure indicates adult Albertans' participation, including attendance, in arts activities or events. Examples of participation include performing in a choir, playing a musical instrument, taking an arts course or visiting an arts exhibition or gallery.

Results

The result of 89.4 per cent was 0.6 per cent lower than the 2013-14 target and 1.4 per cent lower than last year's result. The result remains consistent with past years, indicating that nine out of every 10 Albertans attended or participated in an arts activity or event.

Analysis

Attendance at arts activities and events increased by 0.4 per cent to 85.2 per cent in 2013-14. There was little change in attendance at live performances (+0.4 per cent) or purchasing an art product (+1.7 per cent). Festival attendance increased slightly (+3.8 per cent) this year as did events involving community or school-based arts programs (+3.6 per cent). Individual participation decreased by 6.5 per cent to 58.4 per cent in 2013-14. Participating in arts events or activities saw decreases in home-based activities such as music, dance, crafts, painting, ceramics or others (-10.2 per cent), and in activities like painting or drawing a piece of artwork (-1.6 per cent) and writing or publishing literary work (-3.0 per cent). However, the percentage of Albertans playing a musical instrument increased (+3.7 per cent) in 2013-14.

The results remain high and may be attributed in part to the work undertaken with artists, arts organizations and cultural industries to promote participation in, and foster an appreciation of, arts events. For example, the ministry funded arts activities with $23.3 million in grants. In 2013-14, 85.0 per cent of this funding was provided to more than 750 organizations (including 170 schools) for operational and project funding, as well as to amateur arts organizations to support their activities. These organizations provide arts events and programming throughout the province.

Financial Summary

Results of Operations (millions of dollars)

	2013-14 Constructed Budget	2013-14 Actual	Variance under/ (over)
Total Revenue	$24.2	$18.3	$5.9
Expenses Operating	$216.1	$217.7	$(1.6)
Net Operating Results	$(191.9)	$(199.4)	$(7.5)
Capital Investment	$3.1	$2.6	$0.5

Revenues were lower than budget primarily due to recording donations of archival collections items, which do not require a tax receipt, at a nominal value, instead of estimating a fair market value. Additionally, investment returns were lower due to low interest rates. Sales and other income were less due to lower activity levels but were offset by higher than expected recoveries of prior year expenditure refunds.

Expenditures were higher than planned primarily due to spending related to the 2013 flood but were also offset by lower values for donations in-kind. In addition, higher expenses in Cultural Industries were the result of heavy demand in the Alberta Media Fund program but were offset by lower expenditures in Community and Voluntary Support Services and an offsetting increase in Support for Cultural Infrastructure to address community needs.

Revenue Highlights (millions of dollars)

	2013-14 Constructed Budget	2013-14 Actual	2012-13 Actual
Internal Government Transfers	$0.1	$0.1	$0.1
Transfers from the Government of Canada	$0.7	$0.8	$1.2
Investment Income	$1.5	$0.4	$0.5
Premiums, Fees and Licences	$5.0	$5.0	$4.8
Other Revenue	$16.9	$12.0	$16.0
Total Revenue	$24.2	$18.3	$22.6

Revenues decreased $4.3 million from the prior year and totalled $18.3 million in 2013-14.

Internal Government Transfers from the Alberta Heritage Scholarship Fund in the amount of $0.1 million funded the Queen's Golden Jubilee Programs.

Transfers from the Government of Canada included $0.7 million for Francophone Secretariat and $0.1 million federal funding contribution from the Canadian Heritage Cultural Property Export Review Board to support the acquisition of a historical airplane to add to the Reynolds-Alberta Museum collection.

The reduction from the prior year was primarily due to completion of a $0.5 million funding commitment from the Provincial-Territorial Base Funding program for the Spruce Grove Tri-Village Commons Gymnastic facility.

Investment Income in the ministry's funds and agencies amounted to $0.4 million, down slightly from 2012-13.

Premiums, Fees and Licences include film classification fees and admission fees to heritage sites totalling just under $5.0 million in 2013-14, a slight increase from the prior year.

Other Revenue totalled $12.0 million, a decrease of $4.0 million from the previous year. Other Revenue includes donations, sales, rental revenues from the Northern and Southern Jubilee Auditoria, refunds of expenses, contributions in-kind and other miscellaneous revenues. Lower revenues from the previous year included a decrease of $3.5 million in donations and contributions in-kind which is primarily related to recording donations of archival collections items, which do not require a tax receipt, at a nominal value, instead of estimating a fair market value. A net decrease of $0.9 million in sales and other revenue is due to a reduced number of Broadway shows at the Northern and Southern Jubilee Auditoria and fluctuations in other revenue due to lower activity levels compared to the prior year. Prior years refunds of expenses were $0.4 million higher compared to the prior year.

Expense Highlights (millions of dollars)

	2013-14 Constructed Budget	2013-14 Actual	2012-13 Actual
Cultural Industries	$58.1	$64.4	$61.8
Community and Voluntary Support Services	$78.2	$70.2	$95.3
Heritage	$55.3	$51.6	$54.8
Francophone Secretariat	$1.3	$1.2	$1.3
Support for Cultural Infrastructure	$12.6	$16.0	$26.6
2013 Alberta Flooding	-	$4.3	-
Ministry Support Services	$10.6	$10.0	$9.2
Total Expenses	$216.1	$217.7	$249.0

Expenses decreased by $31.3 million from the prior year and totalled $217.7 million.

Funding of $64.4 million in total spending for cultural industries, includes $26.3 million in grants through the Alberta Media Fund (formerly Alberta Multimedia Development Fund) primarily comprised of $24.2 million in screen-based production grants and $1.7 million to support book publishing, magazine publishing and sound recording, $0.7 million for the Alberta Film Commission, $27.0 million for the Alberta Foundation for the Arts and $8.0 million for the Northern and Southern Alberta Jubilee Auditoria supported from operating revenues generated by these two facilities.

Over 32 per cent or $70.2 million of total spending was used in support of the nonprofit/voluntary sector through various community grants and voluntary services programs, including: $34.3 million for the Community Facility Enhancement Program to build, purchase, repair and improve community-use facilities; $19.3 million for Community Initiatives Program to support community project-based initiatives, to provide operating grants to community organizations and to support international development projects; and $4.9 million was used in support of other worthy projects. The reduction in funding of $25.1 million from the prior year was primarily due to the Community Spirit Donation Grant Program that was concluded at the end of 2012-13 and completion of major funding commitments from the Community Facility Enhancement Program including funding for the Philip J. Currie Dinosaur Museum in Grande Prairie.

In the Heritage program, funding of $51.6 million was utilized to support Alberta's network of historic sites and museums, including the Royal Alberta Museum and Royal Tyrrell Museum of Palaeontology. This funding also supported heritage preservation and conservation programs, including $8.3 million provided through the Alberta Historical Resources Foundation. The net reduction in funding of $3.2 million compared to the prior year is primarily due to lower reported gifts-in-kind as a result of recording donations of archival collections items, which do not require a tax receipt, at a nominal value, instead of estimating a fair market value.

Funding of $1.2 million was provided to support the planning and delivery of quality French-language services and initiatives to support francophone communities. Expenses are slightly lower compared to the prior year due to one-time costs for hosting the 17th Ministerial Conference on the Canadian Francophonie in 2012-13.

In the Support for Cultural Infrastructure program $16 million of total spending was provided towards one-time capital projects including $6.7 million for the City of Lethbridge Crossings Ice Complex, $3.3 million for the City of Medicine Hat Family Leisure Centre and $6 million for the National Music Centre. The reduction of $10.6 million from the prior year is due to variances in the installment funding for the National Music Centre, the City of Lethbridge Crossings Ice Complex, and the completion of federal and provincial shared funding to support a gymnastics facility in Spruce Grove.

The ministry also incurred $4.3 million of unbudgeted operating expenditures in response to the June 2013 flooding. These expenditures consisted of emergency response and incremental expenses as well as funding for museum archives and conservation assistance, support for artists and arts organizations and support for the non-profit/voluntary sector to recover and rebuild in the affected communities.

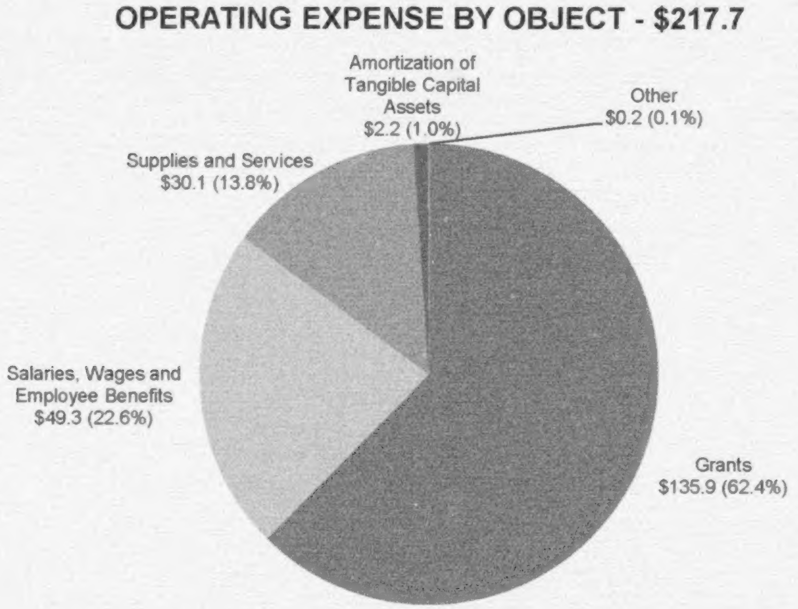
In addition to the $4.3 million in flood related expenses incurred within the ministry, $0.1 million of expenses were transferred to the Ministry of Municipal Affairs as part of the Disaster Recovery program in 2013-14.

The remaining $10 million, or 4.6 per cent of total expenses, was used to address general support and other services to manage overall ministry operations. The increase over the prior year was used to support priority initiatives.

Capital Investment

The ministry also spent $2.6 million for capital investment to purchase computer hardware and software and other equipment.

Ministry Operating Expense by Object (millions of dollars)



The ministry's greatest operating expense was grants, where 62.4 per cent of the budget is directed. In 2013-14, approximately $135.9 million was provided to support individuals, organizations and communities. Expenditures for salaries, wages and employee benefits totalled $49.3 million and were primarily to manage heritage facilities, support community groups and administer grant programs. The remainder of the ministry's expenses were for supplies and services ($30.1 million), amortization of capital assets ($2.2 million) and other expenses ($0.2 million) which are lower than the prior year primarily due to a provision in 2012-13 which resulted from a change in management's estimate of future payments arising from obligations related to contaminated sites.

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AUDITOR
GENERAL
Alberta

Independent Auditor's Report

To the Members of the Legislative Assembly

Report on the Consolidated Financial Statements

I have audited the accompanying consolidated financial statements of the Ministry of Culture, which comprise the consolidated statement of financial position as at March 31, 2014, and the consolidated statements of operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these consolidated financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Ministry of Culture as at March 31, 2014, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher, FCA]

Auditor General

May 30, 2014

Edmonton, Alberta

Ministry of Culture
Consolidated Statement of Operations
Year ended March 31, 2014
(in thousands)

	2014		2013
	Constructed Budget (Schedule 4)	Actual	Actual
Revenues (Schedule 1)			
Government Transfers			
Government of Alberta Grants	$ 80	$ 55	$ 59
Federal Government Grants	650	784	1,193
Premiums, Fees and Licences	4,993	4,990	4,780
Investment Income	1,590	389	458
Other Revenue	16,921	12,058	16,071
	24,234	18,276	22,561
Expenses – Directly Incurred (Note 2(c) and Schedules 3 and 6)			
Cultural Industries	58,101	64,450	61,844
Community and Voluntary Support Services	78,238	70,244	95,341
Heritage	55,304	51,551	54,760
Francophone Secretariat	1,250	1,189	1,259
Support for Cultural Infrastructure	12,600	16,000	26,600
2013 Alberta Flooding	-	4,306	-
Ministry Support Services	10,610	9,950	9,232
	216,103	217,690	249,036
Net Operating Results	$ (191,869)	$ (199,414)	$ (226,475)

The accompanying notes and schedules are part of these consolidated financial statements.

Ministry of Culture
Consolidated Statement of Financial Position
As at March 31, 2014
(in thousands)

	2014	2013
Assets		
Cash (Note 3)	$ 23,334	$ 27,234
Accounts Receivable, Prepaid Expenses and Inventories (Note 4)	2,406	1,832
Tangible Capital Assets (Schedule 7)	17,981	17,719
	$ 43,721	$ 46,785
Liabilities		
Accounts Payable and Accrued Liabilities	$ 39,204	$ 65,106
Deferred Revenue (Note 5)	1,122	1,126
	40,326	66,232
Net Assets (Liabilities) (Note 6)		
Net Assets (Liabilities) at Beginning of Year	(19,447)	(25,693)
Net Operating Results	(199,414)	(226,475)
Net Financing Provided from General Revenues	222,256	232,721
Net Assets (Liabilities) at End of Year	3,395	(19,447)
	$ 43,721	$ 46,785

Contingent Liabilities and Contractual Obligations (Notes 8 and 9)

The accompanying notes and schedules are part of these consolidated financial statements.

Ministry of Culture
Consolidated Statement of Cash Flows
Year ended March 31, 2014
(in thousands)

	2014	2013
Operating Transactions		
Net Operating Results	$ (199,414)	$ (226,475)
Non-cash Items Included in Net Operating Results		
Amortization	2,240	2,230
Loss on Disposal of Tangible Capital Assets	54	24
Deferred Revenue recognized as Revenue	(1,440)	(1,491)
	(198,560)	(225,712)
(Increase) Decrease in Accounts Receivable, Prepaid Expenses and Inventories	(574)	3,816
(Decrease) in Accounts Payable and Accrued Liabilities	(25,902)	(10,327)
Deferred Revenue received	1,436	1,588
Cash (Applied to) Operating Transactions	(223,600)	(230,635)
Capital Transactions		
Acquisition of Tangible Capital Assets (Schedule 7)	(2,556)	(2,484)
Transfers of Tangible Capital Assets (from) to Others (Schedule 7)	-	(1,155)
Cash (Applied to) Capital Transactions	(2,556)	(3,639)
Financing Transactions		
Net Financing Provided from General Revenues	222,256	232,721
(Decrease) in Cash	(3,900)	(1,553)
Cash at Beginning of Year	27,234	28,787
Cash at End of Year	$ 23,334	$ 27,234

The accompanying notes and schedules are part of these consolidated financial statements.

Ministry of Culture
Notes to the Consolidated Financial Statements
March 31, 2014

Note 1 Authority and Purpose

The Minister of Culture has, by the *Government Organization Act* and its regulations, been designated responsible for various Acts. To fulfill these responsibilities, the Minister is responsible for the organizations listed in Note 2(a). The authority under which each organization operates is also listed in Note 2(a). Together these organizations form the Ministry of Culture (the Ministry).

The purpose of the Ministry is to support and strengthen vibrant, inclusive communities and ensure there are opportunities to share, express and experience culture in Alberta.
This is done by:

- promoting the social and economic value of culture to Albertans;
- preserving Alberta's historical resources and making them accessible;
- developing inclusive and engaged communities by supporting Alberta's non-profit/voluntary sector; and
- supporting the growth, participation in and appreciation of the arts in Alberta.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards.

(a) Reporting Entity

The reporting entity is the Ministry of Culture. The *Fiscal Management Act* defines a Ministry as including the Department and any Provincial agency and Crown-controlled organizations for which the Minister is responsible.

These consolidated financial statements include the accounts of the following organizations:

Organization	Authority
Department of Culture	*Government Organization Act*
Alberta Foundation for the Arts	*Alberta Foundation for the Arts Act*
The Alberta Historical Resources Foundation	*Historical Resources Act*
The Government House Foundation	*Government House Act*
Historic Resources Fund	*Historical Resources Act*
The Wild Rose Foundation	*Wild Rose Foundation Act*

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(a) Reporting Entity (continued)

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the President of Treasury Board and Minister of Finance. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net financing provided from General Revenues is the difference between all cash receipts and all cash disbursements made.

(b) Basis of Consolidation

The accounts of the organizations listed in Note 2(a) above have been consolidated. Revenue and expense transactions, investing, capital and financing transactions, and related asset and liability accounts between the consolidated organizations were eliminated upon consolidation.

(c) Basis of Financial Reporting

Revenue Accounting Policy

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as deferred revenue.

Government Transfers

Transfers from the Government of Alberta, federal and other governments are referred to as government transfers.

Government transfers are recorded as deferred revenue if the terms of the transfer or the stipulations together with the Ministry's actions and communications as to the use of transfers create a liability.

All other government transfers, without terms for the use of the transfer, are recorded as revenue when the Ministry is eligible to receive the funds.

Capital Contributions

Restricted capital contributions are recognized as deferred revenue when received and recognized as revenue over the useful life of the acquired or constructed tangible capital assets.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(c) Basis of Financial Reporting (continued)

Revenue Accounting Policy (continued)

Credit or Recovery

Credit or Recovery initiatives provide a basis for authorizing spending. Credits or Recoveries are shown in the details of the Government Estimates for a supply vote. If budgeted revenues are not fully realized, spending is reduced by an equivalent amount. If actual Credit or Recovery amounts exceed budget, the Ministry may, with the approval of the Treasury Board Committee, use the excess to fund additional expenses of the program. Schedule 2 discloses information on the Ministry's Credit or Recovery initiatives.

Investment Income

Investment income includes interest income earned on the Consolidated Cash Investment Trust Fund of the Province of Alberta accounts.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Ministry has primary responsibility and accountability for, as reflected in the government's budget documents.

Grants are recognized as expenses when authorized, eligibility criteria are met and a reasonable estimate of the amounts can be made.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets;
- pension costs, which are the cost of employer contributions for current service of employees during the year; and
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, banked overtime and contaminated sites.

Incurred by Others

Services contributed by other entities in support of the Ministry's operations are not recognized and are disclosed in Schedule 5 and allocated to programs in Schedule 6.

Ministry of Culture
Notes to the Consolidated Financial Statements
March 31, 2014

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(c) Basis of Financial Reporting (continued)

Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets of the Ministry are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals, as well as inventories held for resale.

Inventory for resale is valued at the lower of cost or net realizable value. Cost is determined on the first in first out basis.

Assets acquired by right are not included.

Tangible capital assets of the Ministry are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $250,000 and the threshold for major systems enhancements is $100,000. The threshold for all other tangible capital assets is $5,000. All land is capitalized.

Contributed tangible capital assets are recorded at their fair value at the time of contribution. Amortization is only charged if the tangible capital asset is in use.

When physical assets (tangible capital assets and inventories) are gifted or sold for a nominal sum, the net book value of these physical assets less any nominal proceeds are recorded as grants in kind.

Artworks and Collections

Works of art, historical treasures and collections are not recognized in these financial statements. Purchases of collection items are expensed in the period in which the items are acquired. Donations of collection items are reported as revenue and expenses at their fair value when fair value can be determined. When fair value cannot be reasonably determined, these donations are recorded at nominal value.

Proceeds from the disposition of collections can only be used to acquire other items to be added to the collection or for the direct care of existing collections.

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Contaminated sites are a result of contamination being introduced into air, soil, water, or sediment of a chemical, organic, or radioactive material, or live organism that exceeds an environmental standard.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(c) Basis of Financial Reporting (continued)

Liabilities (continued)

Obligations for contaminated sites are recorded as liabilities when there is little or no discretion to avoid settlement of the obligation and a reasonable estimate of the amount can be made.

Net Assets (Liabilities)

Net Assets (Liabilities) represent the difference between the carrying value of assets held by the Ministry and its liabilities.

Canadian Public Sector Accounting Standards require a "net debt" presentation for the statement of financial position in the summary financial statements of governments. Net debt presentation reports the difference between financial assets and liabilities as "net debt" or "net financial assets" as an indicator of the future revenues required to pay for past transactions and events. The Ministry operates within the government reporting entity, and does not finance all its expenditures by independently raising revenues. Accordingly, these financial statements do not report a net debt indicator.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of cash, accounts receivable, and accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short-term nature of these instruments.

Measurement Uncertainty
(in thousands)

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount. Obligations for contaminated sites are included in accounts payable and accrued liabilities in the amount of $7,747 (2013 – $8,055) for Heritage, based on management's best estimates that reflect the environmental information known at the time. Further environmental assessments, changes in environmental legislation or other unanticipated changes may affect these estimates.

(d) Change in Accounting Estimates

Effective April 1, 2013, the Ministry has recorded donations of archival collection items, which do not require a tax receipt, at a nominal value due to the impracticality of reasonably estimating a fair market value. In 2012-13, $4.2 million was recorded for these donations.

Ministry of Culture
Notes to the Consolidated Financial Statements
March 31, 2014

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(e) 2013 Alberta Flooding

The full recovery from the June 2013 flood in southern Alberta will take a number of years. The Province's flood recovery initiatives, through its Disaster Recovery Program (DRP), provides financial assistance to impacted individuals, small businesses, municipalities, and government departments for uninsurable loss and damage. The DRP is administered and funded by the Alberta Emergency Management Agency of the Department of Municipal Affairs through the authority of the *Disaster Recovery Regulation*.

The Province's flood recovery initiatives include non-disaster recovery programs (non-DRP). Costs associated with non-disaster recovery programs are recognized as they are incurred. These costs are net of recoveries from insurance and other third parties.

(f) Future Accounting Changes

PS 3450 Financial Instruments

In June 2011 the Public Sector Accounting Board issued this accounting standard and subsequently extended the effective date to April 1, 2016 from April 1, 2015.

The Ministry has not yet adopted this standard and has the option of adopting it in fiscal year 2016-17 or earlier. Adoption of this standard requires corresponding adoption of: PS 2601, Foreign Currency Translation; PS 1201, Financial Statement Presentation; and PS 3041, Portfolio Investments in the same fiscal period. These standards provide guidance on: recognition, measurement, and disclosure of financial instruments; standards on how to account for and report transactions that are denominated in a foreign currency; general reporting principles and standards for the disclosure of information in financial statements; and how to account for and report portfolio investments. Management is currently assessing the impact of these standards on the financial statements.

Note 3 Cash

Cash consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. CCITF is managed with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high-quality short-term and mid-term fixed-income securities with a maximum term-to-maturity of three years. As at March 31, 2014, securities held by CCITF have a time-weighted return of 1.2% (2013 – 1.3%) per annum.

Due to the short-term nature of these amounts, the carrying value approximates fair value.

Note 4 Accounts Receivable, Prepaid Expenses and Inventories

(in thousands)

	2014			2013
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	$ 1,524	$ (5)	$ 1,519	$ 1,036
Inventory for Resale	732	-	732	637
Prepaid Expenses	6	-	6	73
Refunds from Suppliers	149	-	149	86
	$ 2,411	$ (5)	$ 2,406	$ 1,832

Accounts receivable are unsecured and non-interest bearing.

Note 5 Deferred Revenue

(in thousands)

	2014	2013
Unearned Revenue (a)	$ 367	$ 477
Deferred Contributions (b)	755	649
	$ 1,122	$ 1,126

(a) Unearned Revenue

Represent amounts received in advance of providing goods or services.

	2014	2013
Balance, Beginning of Year	$ 477	$ 350
Received/Receivable During Year	1,133	1,434
Less Amounts Recognized as Revenue	(1,243)	(1,307)
Balance, End of Year	$ 367	$ 477

(b) Deferred Contributions

Represent externally restricted contributions received relating to expenses of future years.

	2014	2013
Balance, Beginning of Year	$ 649	$ 679
Received/Receivable During Year	303	274
Less Amounts Recognized as Revenue	(197)	(304)
Balance, End of Year	$ 755	$ 649

Ministry of Culture
Notes to the Consolidated Financial Statements
March 31, 2014

Note 6 Net Assets (Liabilities)
(in thousands)

Net Assets (Liabilities) is comprised of the following:

	Internally Restricted - Bob Etherington Heritage Trades Scholarship[1]	Internally Restricted - Peter Goertzen Fund[2]	Internally Restricted – Glenbow Alberta Institute[3]	Internally Restricted – Jubilee Auditoria [4]	Investments in Tangible Capital Assets Internally Restricted – Jubilee Auditoria	Investments in Tangible Capital Assets Unrestricted	Unrestricted	Total
Balance, April 1, 2013	$ 15	$ 10	$ 616	$ 10,384	$ 2,466	$ 15,253	$ (48,191)	$ (19,447)
Net Operating Results	-	-	(332)	(1,924)	-	-	(197,158)	(199,414)
Net Financing Provided from General Revenues	-	-	-	-	-	-	222,256	222,256
Acquisition of Tangible Capital Assets	-	-	-	-	721	1,835	-	2,556
Transfer from Department to Historic Resources Fund	-	-	-	-	7	(7)	-	-
Loss on Disposal of Tangible Capital Assets	-	-	-	-	-	(54)	-	(54)
Amortization of Tangible Capital Assets					(329)	(1,911)	-	(2,240)
Net investment in capital assets	-	-	-	(399)	-	-	137	(262)
Balance, March 31, 2014	$ 15	$ 10	$ 284	$ 8,061	$ 2,865	$ 15,116	$ (22,956)	$ 3,395

(1) The Bob Etherington Heritage Trades Scholarship was designed to develop the heritage trades in Alberta by encouraging tradespersons to hone their technical skills and further their understanding of the challenges and complexities of heritage conservation work.

(2) The Peter Goertzen Fund is a gift from the estate of Peter Goertzen, a former board member of The Alberta Historical Resources Foundation. These funds have been internally restricted and will support special heritage projects approved by the Board.

(3) The purpose of the fund is to acquire new provincial historical artifacts from the proceeds of the disposition of deaccessioned provincial collections displayed at the Glenbow-Alberta Institute.

(4) Accumulated surpluses arising from the operation of the Jubilee Auditoria may only be used for the payment of expenses related to the Jubilee Auditoria.

Ministry of Culture
Notes to the Consolidated Financial Statements
March 31, 2014

Note 7 Collections

Collections consist of cultural and scientific artifacts, archival holdings and works of art of provincial, national and international significance that are located in government-owned museums, historic sites and the Provincial Archives. The Ministry has not recorded the value of these collections in the financial statements due to the practical difficulties of reflecting them at a meaningful value. Significant artifacts, specimens and records are insured. A description of the collections is as follows:

(a) The collections of the Royal Alberta Museum represent Alberta's highly diverse cultural and natural heritage. They consist of 1,952,000 natural history specimens, 144,000 ethnological and historical artifacts, and millions of archaeological objects spanning 10,000 years of Alberta history. The collections include mammals, birds, fish, insects, plants, minerals, gems, First Nations ethnographical material, military and cultural history artifacts, coins, textile collections and archaeological materials recovered in Alberta through Historic Resource Impact Assessments. All collections include associated documentation and, in many cases, images and other media.

(b) The Royal Alberta Museum also is responsible for managing approximately 78,400 artifacts for the Ministry's historic sites. Approximately 8,000 objects are used to furnish the historical buildings at the Ukrainian Cultural Heritage Village, while an additional 5,000 objects are located at smaller sites throughout the province. The remaining artifacts are preserved in storage.

(c) The Royal Tyrrell Museum of Palaeontology collections are among the best in North America. Approximately 145,000 catalogued specimens document the early history of life on earth. The collections include fossils, geological samples, comparative zoology specimens, and an extensive dinosaur mold and cast collection, as well as palaeontological materials recovered in Alberta through Historic Resource Impact Assessments. The Royal Tyrrell Museum is also responsible for one palaeontological site in southern Alberta.

(d) The Historic Sites and Museums Branch preserves, operates and presents Alberta's history through two museums, three interpretive centres, seven developed historic sites, one developed historic site leased to a society, one developed site leased from the University of Alberta, and one historic site currently under development.

(e) Within the Historic Sites and Museums Branch, the Reynolds-Alberta Museum is responsible for approximately 6,500 agricultural, industrial and transportation artifacts. This includes 465 cars, trucks and motorcycles; 365 tractors and engines; 395 agricultural machines and 467 industrial artifacts. Also included are 101 vintage aircraft, the second largest collection in Canada. The museum houses over 850 linear metres of documents relating to its mechanization themes.

(f) Also within the Historic Sites and Museums Branch, the Remington Carriage Museum houses one of the largest collections of horse-drawn vehicles in North America, with 298 carriages, buggies, wagons and sleighs, and approximately 760 associated small artifacts.

Note 7 Collections (continued)

(g) The Ukrainian Cultural Heritage Village contains 60 historical buildings that document Ukrainian settlement in east-central Alberta from 1892 to 1930. Structures include a grain elevator, sod house, blacksmith shop, farm buildings and churches.

(h) The Historic Resources Management Branch is responsible for 7 undeveloped historic sites, 2 developed sites leased to societies, 1 undeveloped site leased to an individual, 12 cairns, 5 archaeological sites and 1stabilized ruin.

(i) The Heritage Division is also responsible for approximately 1,900 hectares of historically-significant land.

(j) The Provincial Archives of Alberta holds approximately 44,000 linear metres of government textual records; 4,000 linear metres of private records; 131,000 maps, plans and drawings; 1,450,000 photographic images; 58,000 objects of audiovisual holdings such as film, video and audio recordings; and 14,000 volumes of library holdings.

(k) The government-owned heritage collections also include materials that are managed under contract by the Glenbow Museum. Glenbow manages and provides public access to collections that include approximately 200,000 natural and human history artifacts, 3,700 linear metres of textual and archival records, over 2.1 million historical photographs, 350 hours of film footage and 7,200 sound recordings.

(l) The Arts Branch manages 14 collections containing approximately 2,000 donated, purchased and/or commissioned artworks.

(m) The Government House Foundation actively collects various significant items pertaining to the history of Government House. The collection is accessible to the public and consists of paintings, drawings, prints, sculptures, furnishings, books and silverware. The majority of the collection is used or displayed in Government House, while some items are on loan to other provincial institutions. The collection is insured.

At March 31, 2014, the collection consisted of approximately 600 (2013 – 512) pieces of artworks and other items, with an estimated value of $1,042,000 (2013 – $1,030,000). During the year, the Foundation made one (2013 – one) purchase of artifacts at a cost of $5,550 (2013 – $6,500). Contributions to the collection included 57 (2013 – five) artifacts with an appraised value of $6,535 (2013 – $415) and there were no dispositions during the year (2013 – Nil).

Note 7 Collections (continued)

(n) The Alberta Foundation for the Arts actively collects visual artworks, which document the province's significant visual artistic achievement. The collection is accessible to the public and consists of paintings, sculptures, drawings, photographs, ceramics, glass, fibre and prints.

At March 31, 2014, the collection consisted of 8,521 (2013 – 8,454) artworks. The Foundation has estimated the value at $13,271,532 (2013 – $13,016,582). During the year, the Foundation purchased 38 (2013 – 45) artworks at a cost of $154,925 (2013 –$168,670). There were 29 (2013 – 17) donations to the collection during the year. These donations were appraised at a value of $100,025 (2013 – $40,850). There was no artwork disposition during the year (2013 – one). The collection is insured.

(o) The Alberta Historical Resources Foundation has a collection of historical assets which is comprised of paintings, sketches, photographs and antique furnishings. At March 31, 2014, the collection consisted of 374 (2013 – 376) artworks with an estimated value of $15,940 (2013 – $16,060) and 30 (2013 – 30) antique furnishings with an estimated value of $12,700 (2013 – $12,700). During the year, the Foundation did not acquire any historical assets (2013 – Nil). There were 2 artwork dispositions during the year with an estimated value of $120 (2013 – Nil). The collection is insured.

Note 8 Contingent Liabilities

(in thousands)

The Ministry is involved in legal matters where damages are being sought. These matters may give rise to contingent liabilities.

The Ministry has been named in three (2013 – one) claims of which the outcome is not determinable. Of these claims, one (2013 - one) has a specified amount totalling $80 (2013 – $80). The remaining two (2013 - Nil) claims have no amounts specified. Included in the total claims, one claim totalling $80 (2013 - $80) is covered in whole or in part by the Alberta Risk Management Fund. The resolution of indeterminable claims may result in a liability, if any, that may be significantly lower than the claimed amount.

Certain contingent liabilities may exist for site remediation and reclamation in addition to the obligations for contaminated sites recorded in the financial statements, which are described in Note 2(c). Due to uncertainty surrounding these circumstances it is not possible to determine the likelihood or amount of these contingent liabilities.

Ministry of Culture
Notes to the Consolidated Financial Statements
March 31, 2014

Note 9 Contractual Obligations
(in thousands)

Contractual obligations are obligations of the Ministry to others that will become liabilities in the future when the terms of these contracts or agreements are met.

	2014	2013
Programs - Grant Agreements	$ 54,575	$ 66,509
Contracts - Service	24,343	16,023
Contracts – Capital Construction	69	4
	$ 78,987	$ 82,536

Estimated payment requirements for each of the next five years and thereafter are as follows:

	Grants	Contracts - Service	Contract – Capital Construction	Total
2014-15	$ 26,057	$ 14,669	$ 69	$ 40,795
2015-16	20,491	5,681	-	26,172
2016-17	7,814	3,989	-	11,803
2017-18	170	1	-	171
2018-19	22	1	-	23
Thereafter	21	2	-	23
	$ 54,575	$ 24,343	$ 69	$ 78,987

Note 10 Trust Fund Under Administration
(in thousands)

The Ministry administers a trust fund that is a regulated fund consisting of public money over which the Legislature has no power of appropriation. Because the Province has no equity in the fund and administers it for the purpose of various trusts, it is not included in the Ministry's financial statements.

As at March 31, 2014, a trust fund under administration was as follows:

	2014	2013
Fort Dunvegan Historical Society Trust Fund	$ 3	$ 3

Note 11 Benefit Plans

(in thousands)

The Ministry participates in the multi-employer pension plans: Management Employees Pension Plan, Public Service Pension Plan and Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $5,724 for the year ended March 31, 2014 (2013 – $5,203). Ministries are not responsible for future funding of the plan deficit other than through contribution increases.

At December 31, 2013, the Management Employees Pension Plan reported a surplus of $50,457 (2012 – deficiency $303,423), the Public Service Pension Plan reported a deficiency of $1,254,678 (2012 – deficiency $1,645,141) and the Supplementary Retirement Plan for Public Service Managers reported a deficiency of $12,384 (2012 – deficiency $51,870).

The Ministry also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2014, the Bargaining Unit Plan reported an actuarial surplus of $75,200 (2013 – surplus $51,717) and the Management, Opted Out and Excluded Plan an actuarial surplus of $24,055 (2013 – surplus $18,327). The expense for these two plans is limited to the employer's annual contributions for the year.

Note 12 Comparative Figures

Certain 2013 figures have been reclassified to conform to the 2014 presentation.

Note 13 Approval of Consolidated Financial Statements

The consolidated financial statements were approved by the senior financial officer and the deputy minister.

Schedule 1

Ministry of Culture
Schedule to the Consolidated Financial Statements
Revenues
Year ended March 31, 2014
(in thousands)

	2014		2013
	Constructed Budget	Actual	Actual
Government Transfers			
Government of Alberta Grants			
Alberta Heritage Scholarship Fund	$ 80	$ 55	$ 59
Federal Government Grants			
Canada – Alberta Cooperation Agreement on French Language Services	650	650	693
Other	-	134	-
Provincial – Territorial Base Funding Program	-	-	500
	650	784	1,193
Premiums, Fees and Licences			
Admission Fees	3,725	4,102	4,121
Film Classification	750	736	534
Lands and Grazing	-	23	16
Other	518	129	109
	4,993	4,990	4,780
Investment Income			
Interest	1,590	389	458
Other Revenue			
Sales	4,175	4,319	4,617
Rental Revenue	3,300	3,484	3,995
Recoveries	3,789	1,164	1,230
Donations and Contributions in Kind	4,644	1,100	4,622
Prior Year Refunds of Expenses	500	1,025	599
Other	513	966	1,008
	16,921	12,058	16,071
Total Revenues	$ 24,234	$ 18,276	$ 22,561

Ministry of Culture
Schedule to the Consolidated Financial Statements
Credit or Recovery
Year ended March 31, 2014
(in thousands)

	2014				
	Authorized	Actual Revenue Actual [1]	Deferred Revenue	Actual Cash/ Donation Received/ Receivable	(Shortfall) / Excess
Historic Sites and Other Museums [2]	$ 120	$ 120	$ -	$ 120	$ -
Royal Alberta Museum [3]	967	744	-	744	(223)
Francophone Secretariat[4]	650	650	-	650	-
	$ 1,737	$ 1,514	$ -	$ 1,514	$ (223)

[1] Revenues from Credit or Recovery initiatives are included in the Ministry's revenues in the Statement of Operations and Schedule 1.

[2] Funding from the federal government for the purchase of a historical artifacts.

[3] Funding from the Alberta Biodiversity Monitoring Institute for specimen sorting, identification, and storage which assists in assessing the impact of land management practices on biodiversity.

[4] Francophone Secretariat administers the provision of grants from the federal government to francophone communities to support the planning and delivery of quality French-language services and to support initiatives aimed at contributing to the development of francophone communities.

Schedule 3

Ministry of Culture
Schedule to the Consolidated Financial Statements
Expenses – Directly Incurred Detailed By Object
Year ended March 31, 2014
(in thousands)

	2014		2013
	Constructed Budget	Actual	Actual
Grants	$ 125,937	$ 135,899	$ 165,651
Salaries, Wages and Employee Benefits	50,588	49,312	46,807
Supplies and Services	36,657	29,887	32,667
Amortization of Tangible Capital Assets	3,009	2,240	2,230
Supplies and Services from Support Service Arrangements with Related Parties [1]	1,123	1,500	1,364
Inventory Consumption	650	602	689
Other	70	181	1,561
Total Expenses before Recoveries	218,034	219,621	250,969
Less: Recovery from Support Service Arrangements with Related Parties [2]	(1,931)	(1,931)	(1,933)
	$ 216,103	$ 217,690	$ 249,036

[1] The Ministry receives Freedom of Information and Privacy services from the Ministry of Treasury Board and Finance and Information Management and Technology Services from the Ministry of Tourism, Parks and Recreation.

[2] The Ministry provides Human Resource Services and Policy, Planning and Legislative Services to the Ministry of Tourism, Parks and Recreation, and costs incurred by the Ministry for these services are recovered.

Schedule 4

Ministry of Culture
Schedule to the Consolidated Financial Statements
Budget Reconciliation
Year ended March 31, 2014
(in thousands)

	2013-14 Estimates	Adjustments to Conform to Accounting Policy[1]	2013-14 Constructed Budget
Revenues			
Government Transfers			
Government of Alberta Grants	$ 80	$ -	$ 80
Federal Government Grants	650	-	650
Premiums, Fees and Licences	4,993	-	4,993
Investment Income	1,590	-	1,590
Other Revenue	16,921	-	16,921
	24,234	-	24,234
Expenses – Directly Incurred			
Ministry Support Services	10,610	-	10,610
Cultural Industries	58,101	-	58,101
Community and Voluntary Support Services	40,238	38,000	78,238
Heritage	55,304	-	55,304
Francophone Secretariat	1,250	-	1,250
Support for Cultural Infrastructure	-	12,600	12,600
2013 Alberta Flooding	-	-	-
	165,503	50,600	216,103
Net Operating Results	$ (141,269)	$ (50,600)	$ (191,869)
Capital Spending	$ 53,765	$ (50,600)	$ 3,165
Financial Transactions	$ 2,243	$ -	$ 2,243

[1] Accounting adjustments include a reclassification of capital grants from capital spending to operating expense.

Ministry of Culture
Schedule to the Consolidated Financial Statements
Related Party Transactions
Year ended March 31, 2014
(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta's financial statements. Related parties also include key management personnel in the Ministry.

The Ministry and its employees paid or collected certain taxes and fees set by regulation for premiums, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users and have been excluded from this schedule.

The Ministry had the following transactions with related parties recorded on the consolidated Statement of Operations and the consolidated Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	2014	2013
Revenues		
Alberta Heritage Scholarship Fund	$ 55	$ 59
Other Revenue	-	49
	$ 55	$ 108
Expenses – Directly Incurred		
Grants	$ 6,318	$ 3,718
Other Services	1,827	1,958
	$ 8,145	$ 5,676
Tangible Capital Assets Transferred In (Out)	$ -	$ 1,155
Payable to	$ 519	$ 1,108
Receivable from	$ 272	$ 124
Contractual Obligations	$ 1,536	$ 2,586

The above transactions do not include support service arrangement transactions disclosed in Schedule 3.

Schedule 5
(continued)

Ministry of Culture
Schedule to the Consolidated Financial Statements
Related Party Transactions
Year ended March 31, 2014
(in thousands)

The Ministry also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the consolidated financial statements but are disclosed in Schedule 6.

	2014	2013
Expenses – Incurred by Others		
Accommodation	$ 41,239	$ 40,905
GOA Learning Centre	21	24
Legal Services	149	170
Internal Audit	38	114
Financial Services	450	501
Transportation Services	95	95
Information Technology Services	1,695	1,835
	$ 43,687	$ 43,644

Schedule 6

Ministry of Culture
Schedule to the Consolidated Financial Statements
Allocated Costs
Year ended March 31, 2014
(in thousands)

	2014									2013
		Expenses – Incurred by Others								
Program	Expenses[1]	Accommodation[2]	GOA Learning Centre[3]	Legal Services[4]	Internal Audit[5]	Financial Services[6]	Transportation Services[7]	Information Technology Services[8]	Total Expenses	Total Expenses
Cultural Industries	$ 64,450	$ 9,617	$ 2	$ 3	$ 12	$ 52	$ 11	$ 195	$ 74,342	$ 71,694
Community and Voluntary Support Services	70,244	624	4	12	-	77	16	290	71,267	96,736
Heritage	51,551	30,466	12	88	26	260	55	978	83,436	86,398
Francophone Secretariat	1,189	28	-	-	-	4	1	17	1,239	1,328
Support for Cultural Infrastructure	16,000	-	-	-	-	-	-	-	16,000	26,600
2013 Alberta Flooding	4,306	-	-	-	-	-	-	-	4,306	
Ministry Support Services	9,950	504	3	46	-	57	12	215	10,787	9,924
	$ 217,690	$ 41,239	$ 21	$ 149	$ 38	$ 450	$ 95	$ 1,695	$ 261,377	$ 292,680

[1] Expenses – Directly Incurred as per Statement of Operations.

[2] The Ministry of Infrastructure provided accommodations. Costs shown for Accommodation on Schedule 5, allocated by square footage.

[3] The Ministry of Treasury Board and Finance provided training. Costs shown for Government of Alberta Learning Centre on Schedule 5, allocated by full time equivalent.

[4] The Ministry of Justice and Solicitor General provided legal services. Costs for Legal Services on Schedule 5, allocated by estimated costs incurred by each program.

[5] The Ministry of Treasury Board and Finance provided internal audit services. Costs shown for Internal Audit on Schedule 5, allocated by estimated costs incurred by each program.

[6] The Ministry of Service Alberta provided financial services to the Ministry. Costs shown for Financial Services on Schedule 5, allocated to the program by full time equivalent.

[7] The Ministry of Service Alberta and Ministry of Treasury Board and Finance provided transportation services. Costs shown for Transportation Services on Schedule 5, allocated to the program by full time equivalent.

[8] The Ministry of Service Alberta provided information technology services. Costs shown for Information Technology Services on Schedule 5, allocated to the program by full time equivalent.

Schedule 7

Ministry of Culture
Schedule to the Consolidated Financial Statements
Tangible Capital Assets
Year ended March 31, 2014
(in thousands)

	2014					2013
	General Capital Assets			Infrastructure Assets		
	Equipment [1]	Computer Hardware and Software	Land	Land Improvements	Total	Total
Estimated Useful Life	3-10 years	5-8 years	Indefinite	40 years		
Historical Cost [2]						
Beginning of Year	$ 22,352	$ 5,470	$ 3,697	$ 1,848	$ 33,367	$ 29,866
Additions	1,868	688	-	-	2,556	2,484
Disposals, Including Write-Downs	(97)	(7)	-	-	(104)	(138)
Transfers to Others	-	-	-	-	-	1,155
	$ 24,123	$ 6,151	$ 3,697	$ 1,848	$ 35,819	$ 33,367
Accumulated Amortization						
Beginning of Year	$ 12,831	$ 2,596	$ -	$ 221	$ 15,648	$ 13,532
Amortization Expense	1,672	518	-	50	2,240	2,230
Effect of Disposal	(43)	(7)	-	-	(50)	(114)
Transfers to Others	-	-	-	-	-	-
	$ 14,460	$ 3,107	$ -	$ 271	$ 17,838	$ 15,648
Net Book Value at March 31, 2014	$ 9,663	$ 3,044	$ 3,697	$ 1,577	$ 17,981	
Net Book Value at March 31, 2013	$ 9,521	$ 2,874	$ 3,697	$ 1,627		$ 17,719

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[1] Equipment includes heritage markers, network switches and routers, vehicles, office equipment and furniture, and other equipment.

[2] Historical cost includes work-in-progress at March 31, 2014 totalling $3,196 (2013 - $2,978) comprised of: equipment $1,730 (2013 - $1,447); computer hardware and software $1,466 (2013 - $1,026); and land improvements $Nil (2013 - $505).

Department of Culture

Financial Statements

March 31, 2014

Department of Culture
Financial Statements
March 31, 2014

Independent Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Cash Flows

Notes to the Financial Statements

Schedule 1 – Revenues

Schedule 2 – Credit or Recovery

Schedule 3 – Expenses – Directly Incurred Detailed by Object

Schedule 4 – Budget Reconciliation

Schedule 5 – Lapse/Encumbrance

Schedule 6 – Lottery Fund Estimates

Schedule 7 – Salary and Benefits Disclosure

Schedule 8 – Related Party Transactions

Schedule 9 – Allocated Costs

Schedule 10 – Tangible Capital Assets

AUDITOR
GENERAL
Alberta

Independent Auditor's Report

To the Minister of Culture

Report on the Financial Statements

I have audited the accompanying financial statements of the Department of Culture, which comprise the statement of financial position as at March 31, 2014, and the statements of operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Culture as at March 31, 2014, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher, FCA]

Auditor General

May 30, 2014

Edmonton, Alberta

Department of Culture
Statement of Operations
Year ended March 31, 2014
(in thousands)

	2014		2013
	Constructed Budget (Schedule 4)	Actual	Actual
Revenues (Schedule 1)			
Government Transfers			
Government of Alberta Grants	$ 80	$ 55	$ 59
Federal Government Grants	650	784	1,193
Premiums, Fees and Licences	750	737	534
Other Revenue	4,920	2,385	5,663
	6,400	3,961	7,449
Expenses – Directly Incurred (Note 2(b) and Schedules 3, 5 and 9)			
Ministry Support Services	10,610	9,950	9,232
Cultural Industries	50,282	56,219	56,158
Community and Voluntary Support Services	77,655	69,607	94,667
Heritage	45,719	43,227	45,823
Francophone Secretariat	1,250	1,189	1,259
Support for Cultural Infrastructure	12,600	16,000	26,600
2013 Alberta Flooding	-	4,306	-
	198,116	200,498	233,739
Net Operating Results	$ (191,716)	$ (196,537)	$ (226,290)

The accompanying notes and schedules are part of these financial statements.

Department of Culture
Statement of Financial Position
As at March 31, 2014
(in thousands)

	2014	2013
Assets		
Cash	$ 78	$ 281
Accounts Receivable (Note 3)	1,116	646
Tangible Capital Assets (Schedule 10)	14,390	14,257
	$ 15,584	$ 15,184
Liabilities		
Accounts Payable and Accrued Liabilities	$ 37,701	$ 62,900
Deferred Revenue	-	120
	37,701	63,020
Net Assets (Liabilities)		
Net Assets (Liabilities) at Beginning of Year	(47,836)	(54,267)
Net Operating Results	(196,537)	(226,290)
Net Financing Provided from General Revenues	222,256	232,721
Net (Liabilities) at End of Year	(22,117)	(47,836)
	$ 15,584	$ 15,184

Contingent Liabilities and Contractual Obligations (Notes 5 and 6)

The accompanying notes and schedules are part of these financial statements.

Department of Culture
Statement of Cash Flows
Year ended March 31, 2014
(in thousands)

	2014	2013
Operating Transactions		
Net Operating Results	$ (196,537)	$ (226,290)
Non-cash Items Included in Net Operating Results		
Amortization	1,579	1,441
Loss on Disposal of Tangible Capital Assets	54	13
Deferred Revenue recognized as Revenue	(120)	-
	(195,024)	(224,836)
(Increase) Decrease in Accounts Receivable	(470)	3,737
(Decrease) in Accounts Payable and Accrued Liabilities	(25,199)	(8,433)
Deferred Revenue received	-	120
Cash (Applied to) Operating Transactions	(220,693)	(229,412)
Capital Transactions		
Acquisition of Tangible Capital Assets (Schedules 5 and 10)	(1,773)	(1,895)
Transfers of Tangible Capital Assets to (from) Others (Schedule 10)	7	(1,155)
Cash (Applied to) Capital Transactions	(1,766)	(3,050)
Financing Transactions		
Net Financing Provided from General Revenues	222,256	232,721
(Decrease) Increase in Cash	(203)	259
Cash at Beginning of Year	281	22
Cash at End of Year	$ 78	$ 281

The accompanying notes and schedules are part of these financial statements.

Department of Culture
Notes to the Financial Statements
March 31, 2014

Note 1 Authority and Purpose

The Department of Culture (Department) operates under the authority of the *Government Organization Act*, Chapter G-10, Revised Statutes of Alberta 2000.

The purpose of the Department is to support and strengthen vibrant, inclusive communities and ensure there are opportunities to share, express and experience culture in Alberta. This is done by:
- promoting the social and economic value of culture to Albertans;
- preserving Alberta's historical resources and making them accessible;
- developing inclusive and engaged communities by supporting Alberta's non-profit/voluntary sector; and
- supporting the growth, participation in and appreciation of the arts in Alberta.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards.

(a) Reporting Entity

The reporting entity is the Department of Culture, which is part of the Ministry of Culture (Ministry) and for which the Minister of Culture (the Minister) is accountable.

Other entities reporting to the Minister are:
- Alberta Foundation for the Arts;
- The Alberta Historical Resources Foundation;
- The Government House Foundation;
- Historic Resources Fund; and
- The Wild Rose Foundation.

The activities of these organizations are not included in these financial statements.

The Ministry annual report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the President of Treasury Board and Minister of Finance. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net Financing provided from General Revenues is the difference between all cash receipts and all cash disbursements made.

Department of Culture
Notes to the Financial Statements
March 31, 2014

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting

Revenue Accounting Policy

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as deferred revenue.

Government Transfers

Transfers from the Government of Alberta, federal and other governments are referred to as government transfers.

Government transfers are recorded as deferred revenue if the terms of the transfer or the stipulations together with the department's actions and communications as to the use of transfers create a liability.

All other government transfers, without terms for the use of the transfer, are recorded as revenue when the Department is eligible to receive the funds.

Capital Contributions

Restricted capital contributions are recognized as deferred revenue when received and recognized as revenue over the useful life of the acquired or constructed tangible capital assets.

Credit or Recovery

Credit or Recovery initiatives provide a basis for authorizing spending. Credits or Recoveries are shown in the details of the Government Estimates for a supply vote. If budgeted revenues are not fully realized, spending is reduced by an equivalent amount. If actual Credit or Recovery amounts exceed budget, the Department may, with the approval of the Treasury Board Committee, use the excess to fund additional expenses of the program. Schedule 2 discloses information on the Department's Credit or Recovery initiatives.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Department has primary responsibility and accountability for, as reflected in the government's budget documents.

Grants are recognized as expenses when authorized, eligibility criteria are met and a reasonable estimate of the amounts can be made.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Expenses (continued)

Directly Incurred (continued)

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets;
- pension costs, which are the cost of employer contributions for current service of employees during the year; and
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, banked overtime and contaminated sites.

Incurred by Others

Services contributed by other entities in support of the Department operations are not recognized and are disclosed in Schedule 8 and allocated to programs in Schedule 9.

Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets of the Department are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals, as well as inventories held for resale.

Assets acquired by right are not included.

Tangible capital assets of the Department are recorded at historical cost and are amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $250,000 and the threshold for major systems enhancements is $100,000. The threshold for all other tangible capital assets is $5,000. All land is capitalized.

Contributed tangible capital assets are recorded at their fair value at the time of contribution.

Amortization is only charged if the tangible capital asset is in use.

When physical assets (tangible capital assets and inventories) are gifted or sold for a nominal sum, the net book value of these physical assets less any nominal proceeds are recorded as grants in kind.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Artworks and Collections

Works of art, historical treasures and collections are not recognized in these financial statements. Purchases of collection items are expensed in the period in which the items are acquired. Donations of collection items are reported as revenue and expenses at their fair value when fair value can be determined. When fair value cannot be reasonably determined, these donations are recorded at nominal value.

Proceeds from the disposition of collections can only be used to acquire other items to be added to the collection or for the direct care of existing collections.

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Contaminated sites are a result of contamination being introduced into air, soil, water, or sediment of a chemical, organic, or radioactive material, or live organism that exceeds an environmental standard. Obligations for contaminated sites are recorded as liabilities when there is little or no discretion to avoid settlement of the obligation and a reasonable estimate of the amount can be made.

Net Assets (Liabilities)

Net assets (liabilities) represent the difference between the carrying value of assets held by the Department and its liabilities.

Canadian Public Sector Accounting Standards require a "net debt" presentation for the statement of financial position in the summary financial statements of governments. Net debt presentation reports the difference between financial assets and liabilities as "net debt" or "net financial assets" as an indicator of the future revenues required to pay for past transactions and events. The Department operates within the government reporting entity, and does not finance all its expenditures by independently raising revenues. Accordingly, these financial statements do not report a net debt indicator.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of cash, accounts receivable, and accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short term nature of these instruments.

Measurement Uncertainty
(in thousands)

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount. Obligations for contaminated sites are included in accounts payable and accrued liabilities in the amount of $7,747 (2013 – $8,055) for Heritage, based on management's best estimates that reflect the environmental information known at the time. Further environmental assessments, changes in environmental legislation or other unanticipated changes may affect these estimates.

(c) Change in Accounting Estimates

Effective April 1, 2013, the Department has recorded donations of archival collection items, which do not require a tax receipt, at a nominal value due to the impracticality of reasonably estimating a fair market value. In 2012-13, $4.2 million was recorded for these donations.

(d) 2013 Alberta Flooding

The full recovery from the June 2013 flood in southern Alberta will take a number of years. The Province's flood recovery initiatives, through its Disaster Recovery Program (DRP), provides financial assistance to impacted individuals, small businesses, municipalities, and government departments for uninsurable loss and damage. The DRP is administered and funded by the Alberta Emergency Management Agency of the Department of Municipal Affairs through the authority of the *Disaster Recovery Regulation*.

The Province's flood recovery initiatives include non-disaster recovery programs (non-DRP). Costs associated with non-disaster recovery programs are recognized as they are incurred. These costs are net of recoveries from insurance and other third parties.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(e) Future Accounting Changes

PS 3450 Financial Instruments

In June 2011 the Public Sector Accounting Board issued this accounting standard and subsequently extended the effective date to April 1, 2016 from April 1, 2015.

The Department has not yet adopted this standard and has the option of adopting it in fiscal year 2016-17 or earlier. Adoption of this standard requires corresponding adoption of: PS 2601, Foreign Currency Translation; PS 1201, Financial Statement Presentation; and PS 3041, Portfolio Investments in the same fiscal period. These standards provide guidance on: recognition, measurement, and disclosure of financial instruments; standards on how to account for and report transactions that are denominated in a foreign currency; general reporting principles and standards for the disclosure of information in financial statements; and how to account for and report portfolio investments. Management is currently assessing the impact of these standards on the financial statements.

Note 3 Accounts Receivable

(in thousands)

	2014			2013
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	$ 1,116	$ -	$ 1,116	$ 646

Accounts receivable are unsecured and non-interest bearing.

Note 4 Collections

Collections consist of cultural and scientific artifacts, archival holdings and works of art of provincial, national and international significance that are located in government-owned museums, historic sites and the Provincial Archives. The Ministry has not recorded the value of these collections in the financial statements due to the practical difficulties of reflecting them at a meaningful value. Significant artifacts, specimens and records are insured. A description of the collections is as follows:

Note 4 Collections (continued)

(a) The collections of the Royal Alberta Museum represent Alberta's highly diverse cultural and natural heritage. They consist of 1,952,000 natural history specimens, 144,000 ethnological and historical artifacts, and millions of archaeological objects spanning 10,000 years of Alberta history. The collections include mammals, birds, fish, insects, plants, minerals, gems, First Nations ethnographical material, military and cultural history artifacts, coins, textile collections and archaeological materials recovered in Alberta through Historic Resource Impact Assessments. All collections include associated documentation and, in many cases, images and other media.

(b) The Royal Alberta Museum also is responsible for managing approximately 78,400 artifacts for the Ministry's historic sites. Approximately 8,000 objects are used to furnish the historical buildings at the Ukrainian Cultural Heritage Village, while an additional 5,000 objects are located at smaller sites throughout the province. The remaining artifacts are preserved in storage.

(c) The Royal Tyrrell Museum of Palaeontology collections are among the best in North America. Approximately 145,000 catalogued specimens document the early history of life on earth. The collections include fossils, geological samples, comparative zoology specimens, and an extensive dinosaur mold and cast collection, as well as palaeontological materials recovered in Alberta through Historic Resource Impact Assessments. The Royal Tyrrell Museum is also responsible for one palaeontological site in southern Alberta.

(d) The Historic Sites and Museums Branch preserves, operates and presents Alberta's history through two museums, three interpretive centres, seven developed historic sites, one developed historic site leased to a society, one developed site leased from the University of Alberta, and one historic site currently under development.

(e) Within the Historic Sites and Museums Branch, the Reynolds-Alberta Museum is responsible for approximately 6,500 agricultural, industrial and transportation artifacts. This includes 465 cars, trucks and motorcycles; 365 tractors and engines; 395 agricultural machines and 467 industrial artifacts. Also included are 101 vintage aircrafts, the second largest collection in Canada. The museum houses over 850 linear metres of documents relating to its mechanization themes.

(f) Also within the Historic Sites and Museums Branch, the Remington Carriage Museum houses one of the largest collections of horse-drawn vehicles in North America, with 298 carriages, buggies, wagons and sleighs, and approximately 760 associated small artifacts.

(g) The Ukrainian Cultural Heritage Village contains 60 historical buildings that document Ukrainian settlement in east-central Alberta from 1892 to 1930. Structures include a grain elevator, sod house, blacksmith shop, farm buildings and churches.

Department of Culture
Notes to the Financial Statements
March 31, 2014

Note 4 Collections (continued)

(h) The Historic Resources Management Branch is responsible for 7 undeveloped historic sites, 2 developed sites leased to societies, 1 undeveloped site leased to an individual, 12 cairns, 5 archaeological sites and 1stabilized ruin.

(i) The Heritage Division is also responsible for approximately 1,900 hectares of historically-significant land.

(j) The Provincial Archives of Alberta holds approximately 44,000 linear metres of government textual records; 4,000 linear metres of private records; 131,000 maps, plans and drawings; 1,450,000 photographic images; 58,000 objects of audiovisual holdings such as film, video and audio recordings; and 14,000 volumes of library holdings.

(k) The government-owned heritage collections also include materials that are managed under contract by the Glenbow Museum. Glenbow manages and provides public access to collections that include approximately 200,000 natural and human history artifacts, 3,700 linear metres of textual and archival records, over 2.1 million historical photographs, 350 hours of film footage and 7,200 sound recordings.

(l) The Arts Branch manages 14 collections containing approximately 2,000 donated, purchased and/or commissioned artworks.

Note 5 Contingent Liabilities
(in thousands)

The Department is involved in legal matters where damages are being sought. These matters may give rise to contingent liabilities.

The Department has been named in three (2013- one) claims of which the outcome is not determinable. Of these claims, one (2013 - one) has a specified amount totalling $80 (2013 - $80). The remaining two (2013 - Nil) claims have no amounts specified. Included in the total claims, one claim totalling $80 (2013 - $80) is covered in whole or in part by the Alberta Risk Management Fund. The resolution of indeterminable claims may result in a liability, if any, that may be significantly lower than the claimed amount.

Certain contingent liabilities may exist for site remediation and reclamation in addition to the obligations for contaminated sites recorded in the financial statements, which are described in Note 2(b). Due to uncertainty surrounding these circumstances it is not possible to determine the likelihood or amount of these contingent liabilities.

Note 6 Contractual Obligations

(in thousands)

Contractual obligations are obligations of the Department to others that will become liabilities in the future when the terms of those contracts or agreements are met.

	2014	2013
Programs – Grant Agreements	$ 52,299	$ 64,564
Contracts – Service	4,771	4,009
Contracts – Capital Construction	69	4
	$ 57,139	$ 68,577

Estimated payment requirements for each of the next three years are as follows:

	Grants	Contracts – Service	Contracts – Capital Construction	Total
2014-15	$ 24,736	$ 3,307	$ 69	$ 28,112
2015-16	19,918	1,406	-	21,324
2016-17	7,645	58	-	7,703
	$ 52,299	$ 4,771	$ 69	$ 57,139

Note 7 Trust Fund Under Administration

(in thousands)

The Department administers a trust fund that is a regulated fund consisting of public money over which the Legislature has no power of appropriation. Because the Province has no equity in the fund and administers it for the purposes of a trust, it is not included in the Department's financial statements.

As at March 31, 2014, a trust fund under administration was as follows:

	2014	2013
Fort Dunvegan Historical Society Trust Fund	$ 3	$ 3

Department of Culture
Notes to the Financial Statements
March 31, 2014

Note 8 Benefit Plans

(in thousands)

The Department participates in the multi-employer pension plans: Management Employees Pension Plan, Public Service Pension Plan and Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $5,724 for the year ended March 31, 2014 (2013 – $5,203). Departments are not responsible for future funding of the plan deficit other than through contribution increases.

At December 31, 2013, the Management Employees Pension Plan reported a surplus of $50,457 (2012 – deficiency $303,423), the Public Service Pension Plan reported a deficiency of $1,254,678 (2012 – deficiency $1,645,141) and the Supplementary Retirement Plan for Public Service Managers reported a deficiency of $12,384 (2012 – deficiency $51,870).

The Department also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2014, the Bargaining Unit Plan reported an actuarial surplus of $75,200 (2013 – surplus $51,717) and the Management, Opted Out and Excluded Plan an actuarial surplus of $24,055 (2013 – surplus $18,327). The expense for these two plans is limited to the employer's annual contributions for the year.

Note 9 Comparative Figures

Certain 2013 figures have been reclassified to conform to the 2014 presentation.

Note 10 Approval of Financial Statements

The financial statements were approved by the senior financial officer and the deputy minister.

Schedule 1

Department of Culture
Schedule to Financial Statements
Revenues
Year ended March 31, 2014
(in thousands)

	2014		2013
	Constructed Budget	Actual	Actual
Government Transfers			
Government of Alberta Grants			
Alberta Heritage Scholarship Fund	$ 80	$ 55	$ 59
Federal Government Grants			
Canada – Alberta Cooperation Agreement on French Language Services	650	650	693
Other	-	134	-
Provincial – Territorial Base Funding Program	-	-	500
	650	784	1,193
Premiums, Fees and Licences			
Film Classification	750	737	534
Other Revenue			
Donations and Contributions in Kind	4,000	911	4,480
Prior Years Refunds of Expenses	420	714	500
Other	500	760	683
	4,920	2,385	5,663
Total Revenues	$ 6,400	$ 3,961	$ 7,449

Department of Culture
Schedule to Financial Statements
Credit or Recovery
Year ended March 31, 2014
(in thousands)

	2014				
	Authorized	Actual Revenue Recognized [1]	Deferred Revenue	Actual Cash/ Donation Received/ Receivable	(Shortfall) / Excess [5]
Historic Sites and Other Museums [2]	$ 120	$ 120	$ -	$ 120	$ -
Royal Alberta Museum [3]	967	744	-	744	(223)
Francophone Secretariat[4]	650	650	-	650	-
	$ 1,737	$ 1,514	$ -	$ 1,514	$ (223)

[1] Revenues from Credit or Recovery initiatives are included in the Department's revenues in the Statement of Operations and Schedule 1.

[2] Funding from the federal government for the purchase of a historical artifact. Element 4.4 Historic Sites and Other Museums

[3] Funding from the Alberta Biodiversity Institute for specimen sorting, identification, and storage which assists in assessing the impact of land management practices on biodiversity. Element 4.2 Royal Alberta Museum

[4] Francophone Secretariat administers the provision of grants from the federal government to francophone communities to support the planning and delivery of quality French-language services and to support initiatives aimed at contributing to the development of francophone communities. Program 5 Francophone Secretariat

[5] Shortfall is deducted from current year's authorized budget, as disclosed in Schedule 5 to the financial statements.

Department of Culture
Schedule to Financial Statements
Expenses – Directly Incurred Detailed by Object
Year ended March 31, 2014
(in thousands)

	2014		2013
	Constructed Budget	Actual	Actual
Grants	$ 134,010	$ 140,891	$ 172,653
Salaries, Wages and Employee Benefits	50,588	49,312	46,807
Supplies and Services	17,319	14,482	17,331
Amortization of Tangible Capital Assets	2,191	1,579	1,441
Supplies and Services from Support Service Arrangements with Related Parties (1)	1,123	1,468	1,332
Other	70	122	1,446
Total Expenses before Recoveries	205,301	207,854	241,010
Less: Recovery from Support Service Arrangements with Related Parties (2)	(7,185)	(7,356)	(7,271)
	$ 198,116	$ 200,498	$ 233,739

(1) The Department receives Freedom of Information and Privacy services from the Department of Treasury Board and Finance and Information Management and Technology Services from the Department of Tourism, Parks and Recreation.

(2) The Department provides financial and administrative services to the funds and agencies of the Ministry of Culture and provides Human Resource Services and Policy, Planning and Legislative Services to the Department of Tourism, Parks and Recreation. Costs incurred by the Department for these services are recovered.

Schedule 4

Department of Culture
Schedule to Financial Statements
Budget Reconciliation
Year ended March 31, 2014
(in thousands)

	2013-14 Estimates	Adjustments to Conform to Accounting Policy [(1)]	2013-14 Constructed Budget
Revenues			
Government Transfers			
Government of Alberta Grants	$ 80	$ -	$ 80
Federal Government Grants	650	-	650
Premiums, Fees and Licences	750	-	750
Other Revenue	4,920	-	4,920
	6,400	-	6,400
Expenses – Directly Incurred			
Ministry Support Services	10,610	-	10,610
Cultural Industries	50,282	-	50,282
Community and Voluntary Support Services	39,655	38,000	77,655
Heritage	45,719	-	45,719
Francophone Secretariat	1,250	-	1,250
Support for Cultural Infrastructure	-	12,600	12,600
2013 Alberta Flooding	-	-	-
	147,516	50,600	198,116
Net Operating Results	$ (141,116)	$ (50,600)	$ (191,716)
Capital Spending	$ 53,100	$ (50,600)	$ 2,500
Financial Transactions	$ 2,243	$ -	$ 2,243

(1) Accounting adjustments include a reclassification of capital grants from capital spending to operating expense.

Schedule 5

Department of Culture
Schedule to Financial Statements
Lapse/Encumbrance
Year ended March 31, 2014
(in thousands)

	Voted Estimates(1)	Supplementary Estimate(2)	Adjustments(3)	Adjusted Voted Estimates	Voted Actuals(4)	Unexpended (Over Expended)
Program – Operational						
Ministry Support Services						
1.1 Minister's Office	$ 675	$ -	$ -	$ 675	$ 675	$ -
1.2 Deputy Minister's Office	650	-	-	650	618	32
1.3 Human Resources	730	-	-	730	746	(16)
1.4 Communications	540	-	-	540	553	(13)
1.5 Corporate Services	7,240	-	-	7,240	6,866	374
	9,835	-	-	9,835	9,458	377
Cultural Industries						
2.1 Program Support	935	-	-	935	950	(15)
2.2 Arts	1,690	-	-	1,690	1,216	474
2.3 Alberta Film Commission	725	-	-	725	701	24
2.4 Alberta Multimedia Development Fund	19,910	-	-	19,910	26,275	(6,365)
2.5 Assistance to the Alberta Foundation for the Arts	26,925	-	-	26,925	26,925	-
	50,185	-	-	50,185	56,067	(5,882)

Department of Culture
Schedule to Financial Statements
Lapse/Encumbrance
Year ended March 31, 2014
(in thousands)

	Voted Estimates[1]	Supplementary Estimate[2]	Adjustments[3]	Adjusted Voted Estimates	Voted Actuals[4]	Unexpended (Over Expended))
Community and Voluntary Support Services						
3.1 Program Support	$ 635	$ -	$ -	$ 635	$ 569	$ 66
3.2 Community Engagement	11,490	-	-	11,490	10,574	916
3.3 Community Initiatives Program	24,750	-	-	24,750	19,282	5,468
3.4 Other Initiatives	2,700	500	-	3,200	4,860	(1,660)
	39,575	500	-	40,075	35,285	4,790
Heritage						
4.1 Program Support	1,435	-	-	1,435	1,438	(3)
4.2 Royal Alberta Museum	8,820	-	467	9,287	8,868	419
4.3 Royal Tyrrell Museum	2,715	-	-	2,715	2,719	(4)
4.4 Historic Sites and Other Museums	10,765	-	120	10,885	10,979	(94)
4.5 Provincial Archives of Alberta	3,045	-	-	3,045	3,249	(204)
4.6 Historic Resources Management	5,115	-	-	5,115	4,419	696
4.7 Assistance to The Alberta Historical Resources Foundation	8,415	-	-	8,415	8,415	-
	40,310	-	587	40,897	40,087	810
5. Francophone Secretariat	1,250	-	-	1,250	1,209	41
2013 Alberta Flooding – Non Disaster Recovery Program						
7.1 Arts	-	333	-	333	246	87
7.2 Community Initiatives Program	-	560	-	560	560	-
7.3 Historic Resources Management	-	3,000	-	3,000	3,000	-
	-	3,893	-	3,893	3,806	87

Schedule 5
(continued)

Department of Culture
Schedule to Financial Statements
Lapse/Encumbrance
Year ended March 31, 2014
(in thousands)

	Voted Estimates[1]	Supplementary Estimate[2]	Adjustments[3]	Adjusted Voted Estimates	Voted Actuals[4]	Unexpended (Over Expended)
Credit or Recovery Shortfall (Schedule 2)	$ -	$ -	$ (223)	$ (223)	$ -	$ (223)
Total	$ 141,155	$ 4,393	$ 364	$ 145,912	$ 145,912	$ -
Lapse/(Encumbrance)						$ -
Program – Capital						
Ministry Support Services						
1.5 Corporate Services	$ 500	$ -	$ -	$ 500	$ 365	$ 135
Cultural Industries						
2.2 Arts	-	-	-	-	40	(40)
Community and Voluntary Support Services						
3.6 Community Facility Enhancement Program	38,000	-	-	38,000	34,277	3,723
Heritage						
4.8 Heritage Infrastructure	2,000	-	-	2,000	2,416	(416)
Support for Cultural Infrastructure	12,600	-	-	12,600	16,000	(3,400)
2013 Alberta Flooding – Non Disaster Recovery Program						
7.5 Community Facility Enhancement Program	-	500	-	500	500	-
Total	$ 53,100	$ 500	$ -	$ 53,600	$ 53,598	$ 2
Lapse/(Encumbrance)						$ 2
Financial Transactions						
Heritage						
4.8 Heritage Infrastructure	$ 2,243	$ -	$ -	$ 2,243	$ 308	$ 1,935
Total	$ 2,243	$ -	$ -	$ 2,243	$ 308	$ 1,935
Lapse/(Encumbrance)						$ 1,935

[1] As per "Operational Vote by Program" and "Capital Vote by Program" and "Financial Transactions Vote by Program" pages 36-37 of 2013-14 Government Estimates.

[2] Per the Supplementary Supply Estimates approved on March 13, 2014.

[3] Adjustments include credit or recovery increases approved by Treasury Board and credit or recovery shortfalls (Schedule 2).

[4] Actuals exclude non-voted amounts such as amortization and valuation adjustments.

Schedule 6

Department of Culture
Schedule to Financial Statements
Lottery Fund Estimates
Year ended March 31, 2014
(in thousands)

		2013-14 Lottery Fund Estimates	2013-14 Actual	Unexpended (Over Expended)
Cultural Industries				
2.4	Alberta Multimedia Development Fund	$ 19,910	$ 24,624	$ (4,714)
2.5	Assistance to the Alberta Foundation for the Arts	26,925	26,925	-
Community and Voluntary Support Services				
3.3	Community Initiatives Program	24,750	19,282	5,468
3.4	Other Initiatives	2,700	3,434	(734)
3.6	Community Facility Enhancement Program	38,000	34,277	3,723
Heritage				
4.7	Assistance to the Alberta Historical Resources Foundation	8,415	8,415	-
		$ 120,700	$ 116,957	$ 3,743

The revenue of the Lottery Fund is transferred to the Department of Treasury Board and Finance on behalf of the General Revenue Fund in 2013-14. Having been transferred to the General Revenue Fund, these monies then become part of the Department's supply vote. This table shows details of the initiatives within the Department that are funded by the Lottery Fund and compares it to the actual results.

Schedule 7

Department of Culture
Schedule to Financial Statements
Salary and Benefits Disclosure
Year ended March 31, 2014
(in thousands)

	2014				2013
	Base Salary(1)	Other Cash Benefits(2)	Other Non-cash Benefits(3)	Total	Total
Senior Officials					
Deputy Minister (4)(5)	$ 275	$ 2	$ 86	$ 363	$ 386
Executives					
Assistant Deputy Minister, Creative and Community Development Division	188	2	55	245	237
Assistant Deputy Minister, Heritage Division	180	2	52	234	224
Assistant Deputy Minister, Policy and Strategic Corporate Services Division	193	32	34	259	131
Executive Director, Human Resource Services (6)	158	2	43	203	200
Executive Director, Financial Services	158	2	44	204	201

(1) Base salary includes pensionable base pay.

(2) Other cash benefits include vacation payout and lump sum payments. There were no bonuses paid in 2014.

(3) Other non-cash benefits include government's share of all employee benefits and contributions or payments made on behalf of employees including pension, supplementary retirement plans, health care, dental coverage, group life insurance, short and long term disability plans, professional memberships and tuition fees.

(4) Automobile provided, no dollar amount included in other non-cash benefits.

(5) The position was occupied by two individuals at different times during the year.

(6) The incumbent's services are shared with the Department of Tourism, Parks and Recreation which contributes its own share of the cost of salary and benefits. Full salary and benefits are disclosed in this schedule.

Department of Culture
Schedule to Financial Statements
Related Party Transactions
Year ended March 31, 2014
(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta's financial statements. Related parties also include key management personnel in the Department.

The Department and its employees paid or collected certain taxes and fees set by regulation for premiums, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users and have been excluded from this schedule.

The Department had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2014	2013	2014	2013
Revenues				
Grants	$ -	$ -	$ 55	$ 59
Expenses - Directly Incurred				
Grants	$ 35,340	$ 35,340	$ 1,367	$ 1,749
Other services	-	-	1,726	1,785
	$ 35,340	$ 35,340	$ 3,093	$ 3,534
Tangible Capital Assets Transferred In (Out)	$ (7)	$ -	$ -	$ 1,155
Payable to	$ -	$ -	$ 87	$ 170
Receivable from	$ 229	$ 46	$ -	$ -
Contractual Obligations	$ -	$ -	$ 1,289	$ 2,218

The above transactions do not include support service arrangement transactions disclosed in Schedule 3.

Schedule 8
(continued)

Department of Culture
Schedule to Financial Statements
Related Party Transactions
Year ended March 31, 2014
(in thousands)

The Department also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 9.

	Entities in the Ministry		Other Entities	
	2014	2013	2014	2013
Recoveries				
Services Provided	$ 488	$ 435	$ -	$ -
Expenses – Incurred by Others				
Accommodation	$ -	$ -	$ 40,562	$ 40,228
GOA Learning Centre	-	-	21	24
Legal Services	-	-	149	169
Internal Audit	-	-	34	99
Financial Services	-	-	450	501
Transportation Services	-	-	95	95
Information Technology Services	-	-	1,695	1,835
	$ -	$ -	$ 43,006	$ 42,951

Department of Culture
Schedule to Financial Statements
Allocated Costs
Year ended March 31, 2014
(in thousands)

	2014										2013
		Expenses – Incurred by Others									
Program	Expenses[1]	Services Provided[2]	Accommodation[3]	GOA Learning Centre[4]	Legal Services[5]	Internal Audit[6]	Financial Services[7]	Transportation Services[8]	Information Technology Services[9]	Total Expenses	Total Expenses
Ministry Support Services	$ 9,950	$ -	$ 504	$ 3	$ 46	$ -	$ 57	$ 12	$ 215	$ 10,787	$ 9,924
Cultural Industries	56,219	-	9,158	2	3	12	52	11	195	65,652	65,548
Community and Voluntary Support Services	69,607	-	624	4	12	-	77	16	290	70,630	96,062
Heritage	43,227	(488)	30,248	12	88	22	260	55	978	74,402	76,793
Francophone Secretariat	1,189	-	28	-	-	-	4	1	17	1,239	1,328
Support for Cultural Infrastructure	16,000	-	-	-	-	-	-	-	-	16,000	26,600
2013 Alberta Flooding	4,306	-	-	-	-	-	-	-	-	4,306	-
	$ 200,498	$ (488)	$ 40,562	$ 21	$ 149	$ 34	$ 450	$ 95	$ 1,695	$ 243,016	$ 276,255

[1] Expenses – Directly Incurred as per Statement of Operations.

[2] The Department of Culture provided financial and administrative services to its funds and agencies.

[3] The Department of Infrastructure provided accommodations. Costs shown for Accommodation on Schedule 8, allocated by square footage.

[4] The Department of Treasury Board and Finance provided training. Costs shown for Government of Alberta Learning Centre on Schedule 8, allocated by full time equivalent.

[5] The Department of Justice and Solicitor General provided legal services. Costs for Legal Services on Schedule 8, allocated by estimated costs incurred by each program.

[6] The Department of Treasury Board and Finance provided internal audit services. Costs shown for Internal Audit on Schedule 8, allocated by estimated costs incurred by each program.

[7] The Department of Service Alberta provided financial services to the Department. Costs shown for Financial Services on Schedule 8, allocated to the program by full time equivalent.

[8] The Department of Service Alberta and Department of Treasury Board and Finance provided transportation services. Costs shown for Transportation Services on Schedule 8, allocated to the program by full time equivalent.

[9] The Department of Service Alberta provided information technology services. Costs shown for Information Technology Services on Schedule 8, allocated to the program by full time equivalent.

Schedule 10

Department of Culture
Schedule to Financial Statements
Tangible Capital Assets
Year ended March 31, 2014
(in thousands)

	2014					2013
	General Capital Assets			Infrastructure Assets		
	Equipment [1]	Computer Hardware and Software	Land	Land Improvements	Total	Total
Estimated Useful Life	3-10 years	5-8 years	Indefinite	40 years		
Historical Cost [2]						
Beginning of Year	$ 12,092	$ 5,120	$ 3,697	$ 1,848	$ 22,757	$ 19,823
Additions	1,102	671	-	-	1,773	1,895
Disposals, Including Write-Downs	(97)	-	-	-	(97)	(116)
Transfers (to) from Others [3]	(12)	-	-	-	(12)	1,155
	$ 13,085	$ 5,791	$ 3,697	$ 1,848	$ 24,421	$ 22,757
Accumulated Amortization						
Beginning of Year	$ 5,934	$ 2,345	$ -	$ 221	$ 8,500	$ 7,162
Amortization Expense	1,037	492	-	50	1,579	1,441
Effect of Disposal	(43)	-	-	-	(43)	(103)
Transfers (to) from Others [3]	(5)	-	-	-	(5)	-
	$ 6,923	$ 2,837	$ -	$ 271	$ 10,031	$ 8,500
Net Book Value at March 31, 2014	$ 6,162	$ 2,954	$ 3,697	$ 1,577	$ 14,390	
Net Book Value at March 31, 2013	$ 6,158	$ 2,775	$ 3,697	$ 1,627		$ 14,257

[1] Equipment includes network switches and routers, vehicles, office equipment and furniture, and other equipment.

[2] Historical cost includes work-in-progress at March 31, 2014 totalling $2,511 (2013 - $2,514) comprised of: equipment $1,045 (2013 - $983); computer hardware and software $1,466 (2013 - $1,026); and land improvements $Nil (2013 - $505).

[3] Transfer of computer hardware and software was made to Historic Resources Fund at a net book value of $7.

Alberta Foundation for the Arts

Financial Statements

March 31, 2014

Alberta Foundation for the Arts
Financial Statements
March 31, 2014

Independent Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Cash Flows

Notes to the Financial Statements

Schedule 1 – Expenses – Directly Incurred Detailed by Object

Schedule 2 – Related Party Transactions

Schedule 3 – Allocated Costs

AUDITOR
GENERAL
Alberta

Independent Auditor's Report

To the Members of the Alberta Foundation for the Arts and the Minister of Culture

Report on the Financial Statements

I have audited the accompanying financial statements of the Alberta Foundation for the Arts, which comprise the statement of financial position as at March 31, 2014, and the statements of operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Alberta Foundation for the Arts as at March 31, 2014, and the results of its operations, its remeasurement gains and losses, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher, FCA]

Auditor General

May 30, 2014

Edmonton, Alberta

Alberta Foundation for the Arts
Statement of Operations
Year ended March 31, 2014
(in thousands)

	2014 Budget	2014 Actual	2013 Actual
Revenues			
Government of Alberta Transfers			
Transfers from the Department of Culture	$ 26,925	$ 26,925	$ 26,925
Investment Income	581	116	143
Other Revenue			
Prior Years Refunds of Expenses	75	57	85
Donations of Artworks and Cash	300	103	41
	27,881	27,201	27,194
Expenses – Directly Incurred (Note 2(b) and Schedules 1 and 3)			
Support to Arts Organizations	21,759	20,758	21,577
Support to Individual Artists	4,871	5,236	4,496
Administration	1,275	1,080	1,108
	27,905	27,074	27,181
Net Operating Results (Note 3)	$ (24)	127	13
Net Assets at Beginning of Year		2,366	2,353
Net Assets at End of Year		$ 2,493	$ 2,366

The accompanying notes and schedules are part of these financial statements.

Alberta Foundation for the Arts
Statement of Financial Position
As at March 31, 2014
(in thousands)

	2014	2013
Assets		
Cash (Note 4)	$ 2,461	$ 2,350
Accounts Receivable (Note 5)	8	5
Tangible Capital Assets (Note 6)	117	78
	$ 2,586	$ 2,433
Liabilities		
Accounts Payable and Accrued Liabilities	$ 93	$ 67
Net Assets	2,493	2,366
	$ 2,586	$ 2,433

Contractual obligations (Note 8)

The accompanying notes and schedules are part of these financial statements.

Alberta Foundation for the Arts
Statement of Cash Flows
Year ended March 31, 2014
(in thousands)

	2014	2013
Operating Transactions		
Net Operating Results	$ 127	$ 13
Non-cash Items		
Amortization of Tangible Capital Assets	23	23
	150	36
(Increase) in Accounts Receivable	(3)	(1)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	26	(1,937)
Cash Provided by (Applied to) Operating Transactions	173	(1,902)
Capital Transactions		
Acquisition of Tangible Capital Assets (Note 6)	(62)	-
Cash (Applied to) Capital Transactions	(62)	-
Increase (Decrease) in Cash	111	(1,902)
Cash at Beginning of Year	2,350	4,252
Cash at End of Year	$ 2,461	$ 2,350

The accompanying notes and schedules are part of these financial statements.

Alberta Foundation for the Arts
Notes to the Financial Statements
March 31, 2014

Note 1 Authority and Purpose

The Alberta Foundation for the Arts (Foundation) operates under the authority of the *Alberta Foundation for the Arts Act*, Chapter A-19, Revised Statutes of Alberta 2000.

The purposes of the Foundation are:

- To support and contribute to the development of literary, performing, visual and media arts in Alberta;
- To provide both individuals and organizations with opportunities to participate in the arts in Alberta;
- To promote the enjoyment of works of art created by Alberta artists;
- To oversee the collection, preservation and display of works of art by Alberta artists; and
- To encourage artists living in Alberta in their work.

The Foundation is a Crown agent of the Government of Alberta and as such has a tax exempt status.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards.

(a) Reporting Entity

The reporting entity is the Alberta Foundation for the Arts, which is part of the Ministry of Culture (Ministry) and for which the Minister of Culture (Minister) is accountable. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

(b) Basis of Financial Reporting

Revenue Accounting Policy

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as deferred revenue.

Government Transfers

Transfers from the Government of Alberta, other governments and other government entities are referred to as government transfers.

Government transfers and the associated externally restricted investment income are recorded as deferred revenue if the terms for use of the transfer, or the terms along with the Foundation's actions and communications as to the use of the transfer, create a liability.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Government Transfers (continued)

These transfers are recognized as revenue as the terms are met and, when applicable, the Foundation complies with its communicated use of the transfer.

All other government transfers, without terms for the use of the transfer, are recorded as revenue when the Foundation is eligible to receive the funds.

Donations and Non-Government Contributions

Donations and non-government contributions are received from individuals, corporations, and private sector not-for-profit organizations. Donations and non-government contributions may be unrestricted or externally restricted for operating or capital purposes.

Unrestricted donations and non-government contributions are recorded as revenue in the year received or in the year the funds are committed to the Foundation if the amount can be reasonably estimated and collection is reasonably assured.

Externally restricted donations, non-government contributions, and realized and unrealized gains and losses for the associated externally restricted investment income are recorded as deferred revenue if the terms for their use, or the terms along with the Foundation's actions and communications as to the use, create a liability. These resources are recognized as revenue as the terms are met and, when applicable, the Foundation complies with its communicated use.

In-kind donations of services and materials are recorded at fair value when such value can reasonably be determined. While volunteers contribute a significant amount of time each year to assist the Foundation, the value of their services are not recognized as revenue and expenses in the financial statements because fair value cannot be reasonably determined.

Investment Income

Investment income includes interest income earned on the Consolidated Cash Investment Trust Fund of the Province of Alberta accounts.

Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year are expensed. Transfers include entitlements, grants and transfers under shared cost agreements.

Grants and transfers are recorded as expenses when the transfer is authorized and eligibility criteria have been met by the recipient.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Expenses (continued)

Directly Incurred

Directly incurred expenses are those costs the Foundation has primary responsibility and accountability for, as reflected in the government's budget documents.

Incurred by Others

Services contributed by other entities in support of the Foundation's operations are not recognized and are disclosed in Schedule 2 and allocated to programs in Schedule 3.

Net Assets/Net Liabilities

Net assets/net liabilities represent the difference between the assets held by the Foundation and its liabilities.

Canadian public sector accounting standards require a "net debt" presentation for the statement of financial position in the summary financial statements of governments. Net debt presentation reports the difference between financial assets and liabilities as "net debt" or "net financial assets" as an indicator of the future revenues required to pay for past transactions and events. The Foundation operates within the government reporting entity, and does not finance all its expenditures by independently raising revenues. Accordingly, these financial statements do not report a net debt indicator.

Valuation of Financial Assets and Liabilities

The institution's financial assets and liabilities are generally measured as follows:

Financial Statement Component	Measurement
Cash	Fair Value
Accounts Receivable	Amortized Cost
Accounts Payable and Accrued Liabilities	Amortized Cost

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable and accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short-term nature of these instruments.

As the Foundation does not have any transactions involving financial instruments that are classified in the fair value category and has no foreign currency transactions, there are no

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Valuation of Financial Assets and Liabilities (continued)

remeasurement gains and losses and therefore a statement of remeasurement gains and losses has not been presented.

Tangible Capital Assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset.

Work in progress, which includes facilities and improvements projects and development of information systems, is not amortized until after a project is complete (or substantially complete) and the asset is put into service.

The cost, less residual value, of the tangible capital assets, excluding land, is amortized on a straight-line basis over their estimated useful lives as follows:

Equipment	10 Years
Computer Hardware and Software	4 Years

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Foundation's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the Statement of Operations.

The threshold for capitalizing new systems development is $250,000 and the threshold for major systems enhancements is $100,000. The threshold for all other tangible capital assets is $5,000.

Contributed tangible capital assets are recognized in liabilities and amortized to revenue over their useful lives. Unless not reasonably determinable, contributed tangible capital assets are recorded at fair value.

Artworks and Collections

Works of art, historical treasures and collections are not recognized in these financial statements. Purchases of collection items are expensed in the period in which the items are acquired. Donations of collection items are reported as revenue and expenses at their fair value when fair value can be determined. When fair value cannot be reasonably determined, these donations are recorded at nominal value.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Artworks and Collections (continued)

Proceeds from the disposition of collections can only be used to acquire other items to be added to the collection or for the direct care of existing collections.

Note 3 Net Operating Results

Actual cash expenses incurred by the Foundation cannot exceed actual revenues received during the year except if authorized by the Minister of Culture or by Treasury Board.

Note 4 Cash

(in thousands)

Cash consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. CCITF is managed with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital.

The portfolio is comprised of high-quality short-term and mid-term fixed-income securities with a maximum term-to-maturity of three years. As at March 31, 2014, securities held by CCITF have a time-weighted return of 1.2 % (2013 – 1.3 %) per annum.

Due to the short-term nature of these deposits, the carrying value approximates fair value.

Note 5 Accounts Receivable

(in thousands)

	2014			2013
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	$ 8	$ -	$ 8	$ 5

Accounts receivable are unsecured and non-interest bearing.

Alberta Foundation for the Arts
Notes to the Financial Statements
March 31, 2014

Note 6 Tangible Capital Assets
(in thousands)

	Equipment[1]	Computer Hardware and Software	2014 Total	2013 Total
Estimated Useful Life	10 years	4 years		
Historical Cost [2]				
Beginning of Year	$ 273	$ 20	$ 293	$ 293
Additions	62	-	62	-
	335	20	355	293
Accumulated Amortization				
Beginning of Year	195	20	215	192
Amortization Expense	23	-	23	23
	218	20	238	215
Net Book Value at March 31, 2014	$ 117	$ -	$ 117	
Net Book Value at March 31, 2013	$ 78	$ -		$ 78

(1) Equipment includes vehicles, office equipment and furniture, and other equipment.

(2) Historical cost includes equipment work-in-progress at March 31, 2014 totalling $62 (2013 – Nil).

Note 7 Artworks and Collections

The Foundation actively collects visual artworks, which document the province's significant visual artistic achievement. The collection is accessible to the public and consists of paintings, sculptures, drawings, photographs, ceramics, glass, fibre and prints.

At March 31, 2014, the collection consisted of 8,521 (2013 – 8,454) artworks. The Foundation has estimated the value at $13,271,532 (2013 – $13,016,582). During the year, the Foundation purchased 38 (2013 – 45) artworks at a cost of $154,925 (2013 –$168,670). There were 29 (2013 – 17) donations to the collection during the year. These donations were appraised at a value of $100,025 (2013 – $40,850). There was no artwork disposition during the year (2013 – one). The collection is insured.

Alberta Foundation for the Arts
Notes to the Financial Statements
March 31, 2014

Note 8 Contractual Obligations

(in thousands)

Contractual obligations are obligations of the Foundation to others that will become liabilities in the future when the terms of those contracts or agreements are met.

	2014	2013
Service Contracts	$ -	$ 40

Note 9 Honoraria

(in thousands)

	2014			2013
	Honoraria [(1)]	Benefits and Allowances [(2)]	Total	Total
Board [(3)]				
Chair	$ 3	$ -	$ 3	$ 4
Vice Chair[(4)]	4	-	4	-
Other Members (10)	33	-	33	50
	$ 40	$ -	$ 40	$ 54

[(1)] The Foundation has no employees. Staff of the Department of Culture administer the Foundation.

[(2)] No benefits were provided to board members.

[(3)] Members appointed to the Foundation are paid honoraria for attending Foundation meetings at rates set by ministerial order. They are also paid for sub-committee meetings, to attend out-of-town meetings and for attending to other Foundation duties.

[(4)] This position was filled during 2013-14 fiscal year.

Note 10 Approval of Financial Statements

The financial statements were approved by the board of directors.

Schedule 1

Alberta Foundation for the Arts
Schedule to Financial Statements
Expenses – Directly Incurred Detailed by Object
Year ended March 31, 2014
(in thousands)

	2014		2013
	Budget	Actual	Actual
Grants	$ 22,537	$ 23,284	$ 23,503
Supplies and Services from Support Service Arrangements with Related Parties [1]	2,261	2,214	2,214
Supplies and Services	2,514	1,258	1,178
Acquisition of Artworks [2]	165	155	168
Donations of Artworks	300	100	41
Amortization of Tangible Capital Assets	24	23	23
Honoraria (Note 9)	104	40	54
	$ 27,905	$ 27,074	$ 27,181

(1) The Foundation receives financial and program related administrative services from the Department of Culture.

(2) Includes commissioned artworks in progress.

Alberta Foundation for the Arts
Schedule to Financial Statements
Related Party Transactions
Year ended March 31, 2014
(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta's financial statements.

The Foundation paid or collected certain taxes and fees set by regulation for premiums, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The Foundation had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2014	2013	2014	2013
Revenues				
Transfers from the Department of Culture	$ 26,925	$ 26,925	$ -	$ -
Expenses – Directly Incurred				
Grants	$ -	$ -	$ 1,946	$ 1,878
Other Services	-	-	5	7
	$ -	$ -	$ 1,951	$ 1,885
Payable to	$ -	$ 1	$ 28	$ 63

The above transactions do not include support service arrangement transactions disclosed in Schedule 1.

The Foundation also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 3.

	Entities in the Ministry		Other Entities	
	2014	2013	2014	2013
Expenses – Incurred by Others				
Accommodation	$ -	$ -	$ 459	$ 459
Legal Services	-	-	-	1
	$ -	$ -	$ 459	$ 460

Schedule 3

Alberta Foundation for the Arts
Schedule to Financial Statements
Allocated Costs
Year ended March 31, 2014
(in thousands)

	2014				2013
		Expenses – Incurred by Others			
Program	Expenses[1]	Accommodation[2]	Legal Services[3]	Total Expenses	Total Expenses
Support to Arts Organizations	$ 20,758	$ 165	$ -	$ 20,923	$ 21,743
Support to Individual Artists	5,236	182	-	5,418	4,678
Administration	1,080	112	-	1,192	1,220
	$ 27,074	$ 459	$ -	$ 27,533	$ 27,641

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[1] Expenses – Directly Incurred as per Statement of Operations.

[2] The Department of Infrastructure provided accommodations. Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 2, allocated by square footage.

[3] The Department of Justice and Solicitor General provided legal services. Costs shown for Legal Services on Schedule 2, allocated by estimated costs incurred by each program.

The Alberta Historical Resources Foundation

Financial Statements

March 31, 2014

The Alberta Historical Resources Foundation
Financial Statements
March 31, 2014

Independent Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Cash Flows

Notes to the Financial Statements

Schedule 1 – Expenses – Directly Incurred Detailed by Object

Schedule 2 – Related Party Transactions

Schedule 3 – Allocated Costs

AUDITOR
GENERAL
Alberta

Independent Auditor's Report

To: The Minister of Culture

Report on the Financial Statements

I have audited the accompanying financial statements of the Alberta Historical Resources Foundation, which comprise the statement of financial position as at March 31, 2014, and the statements of operations and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Alberta Historical Resources Foundation as at March 31, 2014, and the results of its operations, its remeasurement gains and losses, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher, FCA]

Auditor General

May 30, 2014

Edmonton, Alberta

The Alberta Historical Resources Foundation
Statement of Operations
Year ended March 31, 2014
(in thousands)

	2014		2013
	Budget	Actual	Actual
Revenues			
Government of Alberta Transfers			
Transfers from the Department of Culture	$ 8,415	$ 8,415	$ 8,415
Investment Income	290	45	60
Other Revenue	6	-	-
	8,711	8,460	8,475
Expenses – Directly Incurred (Note 2(b) and Schedules 1 and 3)			
Glenbow Museum	3,176	3,265	3,176
Heritage Preservation Partnership Programs	2,635	2,055	2,800
Support for Provincial Heritage Organizations	2,145	2,243	2,188
Municipal Heritage Programs	555	440	515
Heritage Markers Program	81	84	80
Administration	150	228	256
	8,742	8,315	9,015
Net Operating Results	$ (31)	145	(540)
Net Assets at Beginning of Year		2,085	2,625
Net Assets at End of Year		$ 2,230	$ 2,085

The accompanying notes and schedules are part of these financial statements.

The Alberta Historical Resources Foundation
Statement of Financial Position
As at March 31, 2014
(in thousands)

	2014	2013
Assets		
Cash (Note 3)	$ 2,285	$ 2,659
Tangible Capital Assets (Note 5)	45	74
	$ 2,330	$ 2,733
Liabilities		
Accounts Payable and Accrued Liabilities	$ 100	$ 648
Net Assets (Note 6)	2,230	2,085
	$ 2,330	$ 2,733

Contractual obligations (Note 8)

The accompanying notes and schedules are part of these financial statements.

The Alberta Historical Resources Foundation
Statement of Cash Flows
Year ended March 31, 2014
(in thousands)

	2014	2013
Operating Transactions		
Net Operating Results	$ 145	$ (540)
Non-cash Items		
Amortization of Tangible Capital Assets	29	30
	174	(510)
(Decrease) in Accounts Payable and Accrued Liabilities	(548)	(397)
Cash (Applied to) Operating Transactions	(374)	(907)
Cash at Beginning of Year	2,659	3,566
Cash at End of Year	$ 2,285	$ 2,659

The accompanying notes and schedules are part of these financial statements.

The Alberta Historical Resources Foundation
Notes to the Financial Statements
March 31, 2014

Note 1 Authority and Purpose

The Alberta Historical Resources Foundation (Foundation) operates under the authority of the *Historical Resources Act*, Chapter H-9, Revised Statutes of Alberta 2000.

The purpose of the Foundation is to assist in the preservation and interpretation of Alberta's heritage primarily through the encouragement and sponsorship of community heritage initiatives.

The Foundation is a Crown agent of the Government of Alberta and as such has a tax exempt status.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards.

(a) Reporting Entity

The reporting entity is The Alberta Historical Resources Foundation, which is part of the Ministry of Culture (Ministry) and for which the Minister of Culture (Minister) is accountable. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

(b) Basis of Financial Reporting

Revenue Accounting Policy

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as deferred revenue.

Government Transfers

Transfers from the Government of Alberta, other governments and other government entities are referred to as government transfers.

Government transfers and the associated externally restricted investment income are recorded as deferred revenue if the terms for use of the transfer, or the terms along with the Foundation's actions and communications as to the use of the transfer, create a liability. These transfers are recognized as revenue as the terms are met and, when applicable, the Foundation complies with its communicated use of the transfer.

All other government transfers, without terms for the use of the transfer, are recorded as revenue when the Foundation is eligible to receive the funds.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

(b) Basis of Financial Reporting (Continued)

Donations and Non-Government Contributions

Donations and non-government contributions are received from individuals, corporations, and private sector not-for-profit organizations. Donations and non-government contributions may be unrestricted or externally restricted for operating or capital purposes.

Unrestricted donations and non-government contributions are recorded as revenue in the year received or in the year the funds are committed to the Foundation if the amount can be reasonably estimated and collection is reasonably assured.

Externally restricted donations, non-government contributions, and realized and unrealized gains and losses for the associated externally restricted investment income are recorded as deferred revenue if the terms for their use, or the terms along with the Foundation's actions and communications as to the use, create a liability. These resources are recognized as revenue as the terms are met and, when applicable, the Foundation complies with its communicated use.

In-kind donations of services and materials are recorded at fair value when such value can reasonably be determined. While volunteers contribute a significant amount of time each year to assist the Foundation, the value of their services are not recognized as revenue and expenses in the financial statements because fair value cannot be reasonably determined.

Investment Income

Investment income includes interest income earned on the Consolidated Cash Investment Trust Fund of the Province of Alberta accounts.

Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year are expensed. Transfers include entitlements, grants and transfers under shared cost agreements.

Grants and transfers are recorded as expenses when the transfer is authorized and eligibility criteria have been met by the recipient.

Directly Incurred

Directly incurred expenses are those costs the Foundation has primary responsibility and accountability for, as reflected in the government's budget documents.

The Alberta Historical Resources Foundation
Notes to the Financial Statements
March 31, 2014

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

(b) Basis of Financial Reporting (Continued)

Expenses (Continued)

Incurred by Others

Services contributed by other entities in support of the Foundation's operations are not recognized and are disclosed in Schedule 2 and allocated to programs in Schedule 3.

Net Assets/Net Liabilities

Net assets/net liabilities represent the difference between the assets held by the Foundation and its liabilities.

Canadian public sector accounting standards require a "net debt" presentation for the statement of financial position in the summary financial statements of governments. Net debt presentation reports the difference between financial assets and liabilities as "net debt" or "net financial assets" as an indicator of the future revenues required to pay for past transactions and events. The Foundation operates within the government reporting entity, and does not finance all its expenditures by independently raising revenues. Accordingly, these financial statements do not report a net debt indicator.

Valuation of Financial Assets and Liabilities

The institution's financial assets and liabilities are generally measured as follows:

Financial Statement Component	Measurement
Cash	Fair Value
Accounts Receivable	Amortized Cost
Accounts Payable and Accrued Liabilities	Amortized Cost

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable and accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short-term nature of these instruments.

As the Foundation does not have any transactions involving financial instruments that are classified in the fair value category and has no foreign currency transactions, there are no remeasurement gains and losses and therefore a statement of remeasurement gains and losses has not been presented.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

(b) Basis of Financial Reporting (Continued)

Tangible Capital Assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset.

Work in progress, which includes facilities and improvements projects and development of information systems, is not amortized until after a project is complete (or substantially complete) and the asset is put into service.

The cost, less residual value, of the tangible capital assets, excluding land, is amortized on a straight-line basis over their estimated useful lives as follows:

Equipment	10 Years
Computer Hardware and Software	4 Years

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Foundation's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the Statement of Operations.

The threshold for capitalizing new systems development is $250,000 and the threshold for major systems enhancements is $100,000. The threshold for all other tangible capital assets is $5,000.

Contributed tangible capital assets are recognized in liabilities and amortized to revenue over their useful lives. Unless not reasonably determinable, contributed tangible capital assets are recorded at fair value.

Artworks and Collections

Works of art, historical treasures and collections are not recognized in these financial statements. Purchases of collection items are expensed in the period in which the items are acquired. Donations of collection items are reported as revenue and expenses at their fair value when fair value can be determined. When fair value cannot be reasonably determined, these donations are recorded at nominal value.

Proceeds from the disposition of collections can only be used to acquire other items to be added to the collection or for the direct care of existing collections.

The Alberta Historical Resources Foundation
Notes to the Financial Statements
March 31, 2014

Note 3 Cash

(in thousands)

Cash consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. CCITF is managed with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high-quality short-term and mid-term fixed-income securities with a maximum term-to-maturity of three years. As at March 31, 2014, securities held by CCITF have a time-weighted return of 1.2% (2013 – 1.3%) per annum.

Due to the short-term nature of these deposits, the carrying value approximates fair value.

Note 4 Artworks and Collections

The Foundation has a collection of historical assets which is comprised of paintings, sketches, photographs and antique furnishings. At March 31, 2014, the collection consisted of 374 (2013 – 376) artworks with an estimated value of $15,940 (2013 – $16,060) and 30 (2013 – 30) antique furnishings with an estimated value of $12,700 (2013 – $12,700). During the year, the Foundation did not acquire any historical assets (2013 – Nil). There were 2 artwork dispositions during the year with an estimated value of $120 (2013 – Nil). The collection is insured.

Note 5 Tangible Capital Assets

(in thousands)

	Equipment	
	2014 Total	2013 Total
Estimated Useful Life – 10 years		
Historical Cost		
Beginning of Year	$ 561	$ 561
Additions	-	-
	561	561
Accumulated Amortization		
Beginning of Year	487	457
Amortization Expense	29	30
	516	487
Net Book Value	$ 45	$ 74

Equipment includes Heritage Markers.

The Alberta Historical Resources Foundation
Notes to the Financial Statements
March 31, 2014

Note 6 Net Assets
(in thousands)

Net Assets is comprised of the following:

	Investments in Tangible Capital Assets	Internally Restricted - Bob Etherington Heritage Trades Scholarship[1]	Internally Restricted - Peter Goertzen Fund[2]	Unrestricted	Total
Balance, April 1, 2013	$ 74	$ 15	$ 10	$ 1,986	$ 2,085
Net Operating Results	(29)	-	-	174	145
Balance, March 31, 2014	$ 45	$ 15	$ 10	$ 2,160	$ 2,230

(1) The Bob Etherington Heritage Trades Scholarship was designed to develop the heritage trades in Alberta by encouraging tradespersons to hone their technical skills and further their understanding of the challenges and complexities of heritage conservation work.

(2) The Peter Goertzen Fund is a gift from the estate of Peter Goertzen, a former board member of The Alberta Historical Resources Foundation. These funds have been internally restricted and will support special heritage projects approved by the Board.

The Alberta Historical Resources Foundation
Notes to the Financial Statements
March 31, 2014

Note 7 Honoraria
(in thousands)

	2014			2013
	Honoraria[1]	Benefits and Allowances[2]	Total	Total
Board[3]				
Chair	$ 4	$ -	$ 4	$ 7
Other Members (11)	20	-	20	29
	$ 24	$ -	$ 24	$ 36

[1] The Foundation has no employees. Staff of the Department of Culture administer the Foundation.

[2] No benefits were provided to board members.

[3] Members appointed to the Foundation are paid honoraria for attending Foundation meetings at rates set by ministerial order. They are also paid for sub-committee meetings, to attend out-of-town meetings and for attending to other Foundation duties.

The Alberta Historical Resources Foundation
Notes to the Financial Statements
March 31, 2014

Note 8 Contractual Obligations
(in thousands)

Contractual obligations are obligations of the Foundation to others that will become liabilities in the future when the terms of those contracts or agreements are met.

	2014	2013
Grant Agreements	$ 2,276	$ 1,945
Service Contracts	11,356	3,176
	$ 13,632	$ 5,121

Estimated payment requirements for each of the next five years and thereafter are as follows:

	Grant Agreements	Service Contracts	Total
2014 – 15	$ 1,322	$ 3,804	$ 5,126
2015 – 16	572	3,776	4,348
2016 – 17	170	3,776	3,946
2017 – 18	170	-	170
2018 – 19	21	-	21
Thereafter	21	-	21
	$ 2,276	$ 11,356	$ 13,632

Note 9 Approval of Financial Statements

The financial statements were approved by the board of directors.

Schedule 1

The Alberta Historical Resources Foundation
Schedule to Financial Statements
Expenses – Directly Incurred Detailed by Object
Year ended March 31, 2014
(in thousands)

	2014		2013
	Budget	Actual	Actual
Grants	$ 4,770	$ 4,173	$ 4,924
Supplies and Services	3,202	3,350	3,286
Supplies and Services from Support Service Arrangements with Related Parties (1)	739	739	739
Amortization of Tangible Capital Assets	31	29	30
Honoraria (Note 7)	-	24	36
	$ 8,742	$ 8,315	$ 9,015

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(1) The Foundation receives financial and program related administrative services from the Department of Culture.

Schedule 2

The Alberta Historical Resources Foundation
Schedule to Financial Statements
Related Party Transactions
Year ended March 31, 2014
(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta's financial statements.

The Foundation paid or collected certain taxes and fees set by regulation for premiums, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users and have been excluded from this schedule.

The Foundation had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2014	2013	2014	2013
Revenues				
Transfers from the Department of Culture	$ 8,415	$ 8,415	$ -	$ -
Expenses – Directly Incurred				
Grants	$ 109	$ 89	$ 5	$ 91
Other Services	-	-	8	6
	$ 109	$ 89	$ 13	$ 97
Accounts Payable	$ -	$ -	$ 2	$ 67

The above transactions do not include support service arrangement transactions disclosed in Schedule 1.

The Foundation also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 3.

	Entities in the Ministry		Other Entities	
	2014	2013	2014	2013
Expenses – Incurred by Others				
Other Services	$ 67	$ 75	$ -	$ -
Accommodation	-	-	21	21
	$ 67	$ 75	$ 21	$ 21

Schedule 3

The Alberta Historical Resources Foundation
Schedule to Financial Statements
Allocated Costs
Year ended March 31, 2014
(in thousands)

	2014				2013
		Expenses – Incurred by Others			
Program	Expenses[1]	Other Services[2]	Accommodation[3]	Total Expenses	Total Expenses
Glenbow Museum	$ 3,265	$ -	$ -	$ 3,265	$ 3,176
Heritage Preservation Partnership Programs	2,055	33	10	2,098	2,847
Support for Provincial Heritage Organizations	2,243	-	-	2,243	2,188
Municipal Heritage Programs	440	9	3	452	527
Heritage Markers Program	84	16	5	105	105
Administration	228	9	3	240	268
	$ 8,315	$ 67	$ 21	$ 8,403	$ 9,111

[1] Expenses – Directly Incurred as per Statement of Operations.

[2] The Department of Culture provided financial and administrative services. Costs shown for Other Services on Schedule 2, allocated by estimated costs incurred by each program.

[3] The Department of Infrastructure provided accommodations. Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 2, allocated by square footage.

The Government House Foundation

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Schedule 3 – Allocated Costs

AUDITOR
GENERAL
Alberta

Independent Auditor's Report

To the Directors of the Government House Foundation and the Minister of Culture

Report on the Financial Statements

I have audited the accompanying financial statements of the Government House Foundation, which comprise the statement of financial position as at March 31, 2014, and the statements of operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Government House Foundation as at March 31, 2014, and the results of its operations, its remeasurement gains and losses, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher, FCA]

Auditor General

May 30, 2014

Edmonton, Alberta

The Government House Foundation
Statement of Operations
Year ended March 31, 2014

	2014		2013
	Budget	Actual	Actual
Revenues			
Government of Alberta Transfers			
Transfers from the Alberta Historical Resources Foundation	$ 40,000	$ 109,226	$ 89,453
Premiums, Fees and Licences	5,000	17,145	4,720
Investment Income	4,000	1,338	1,403
Donations of Artworks	-	7,934	415
	49,000	135,643	95,991
Expenses – Directly Incurred (Note 2(b) and Schedules 1 and 3)			
Public Relations	31,000	111,301	60,370
Administration	12,000	18,168	19,315
Collection Acquisitions	3,000	12,085	6,915
Conservation of Collections	3,000	675	6,609
	49,000	142,229	93,209
Net Operating Results	$ -	(6,586)	2,782
Net Assets at Beginning of Year		76,394	73,612
Net Assets at End of Year		$ 69,808	$ 76,394

The accompanying notes and schedules are part of these financial statements.

The Government House Foundation
Statement of Financial Position
As at March 31, 2014

	2014	2013
Assets		
Cash (Note 3)	74,721	90,027
Accounts Receivable	34	-
Inventory for Resale	18,621	-
	$ 93,376	$ 90,027
Liabilities		
Accounts Payable and Accrued Liabilities	$ 23,568	$ 13,633
Net Assets	69,808	76,394
	$ 93,376	$ 90,027

Contractual obligations (Note 5)

The accompanying notes and schedules are part of these financial statements.

The Government House Foundation
Statement of Cash Flows
Year ended March 31, 2014

	2014	2013
Operating Transactions		
Net Operating Results	$ (6,586)	$ 2,782
(Increase) in Accounts Receivable	(34)	-
(Increase) in Inventory for Resale	(18,621)	-
Increase in Accounts Payable and Accrued Liabilities	9,935	2,517
Cash Provided by Operating Transactions	(15,306)	5,299
Cash at Beginning of Year	90,027	84,728
Cash at End of Year	$ 74,721	$ 90,027

The accompanying notes and schedules are part of these financial statements.

The Government House Foundation
Notes to the Financial Statements
March 31, 2014

Note 1 Authority and Purpose

The Government House Foundation (Foundation) operates under the authority of the *Government House Act*, Chapter G-9, Revised Statutes of Alberta 2000.

The purpose of the Foundation is:

- To advise the Minister on the preservation of Government House as a historic site and building;
- To inform and stimulate the interest of the public in the historical and architectural development of Government House; and
- To solicit and receive by gift, bequest, device, transfer or otherwise, any personal property for use or display in Government House.

The Foundation is a Crown agent of the Government of Alberta and as such has a tax exempt status.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards.

(a) Reporting Entity

The reporting entity is the Government House Foundation, which is part of the Ministry of Culture (Ministry) and for which the Minister of Culture (Minister) is accountable. The Ministry annual report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the minister is accountable.

(b) Basis of Financial Reporting

Revenue Accounting Policy

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as deferred revenue.

Government Transfers

Transfers from the Government of Alberta, other governments and other government entities are referred to as government transfers.

Government transfers and the associated externally restricted investment income are recorded as deferred revenue if the terms for use of the transfer, or the terms along with the Foundation's actions and communications as to the use of the transfer, create a liability. These transfers are recognized as revenue as the terms are met and, when applicable, the Foundation complies with its communicated use of the transfer.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Government Transfers (continued)

All other government transfers, without terms for the use of the transfer, are recorded as revenue when the Foundation is eligible to receive the funds.

Donations and Non-Government Contributions

Donations and non-government contributions are received from individuals, corporations, and private sector not-for-profit organizations. Donations and non-government contributions may be unrestricted or externally restricted for operating or capital purposes.

Unrestricted donations and non-government contributions are recorded as revenue in the year received or in the year the funds are committed to the Foundation if the amount can be reasonably estimated and collection is reasonably assured.

Externally restricted donations, non-government contributions, and realized and unrealized gains and losses for the associated externally restricted investment income are recorded as deferred revenue if the terms for their use, or the terms along with the Foundation's actions and communications as to the use, create a liability. These resources are recognized as revenue as the terms are met and, when applicable, the Foundation complies with its communicated use.

In-kind donations of services and materials are recorded at fair value when such value can reasonably be determined. While volunteers contribute a significant amount of time each year to assist the Foundation, the value of their services are not recognized as revenue and expenses in the financial statements because fair value cannot be reasonably determined.

Investment Income

Investment income includes interest income earned on the Consolidated Cash Investment Trust Fund of the Province of Alberta accounts.

Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year are expensed.

Transfers include entitlements, grants and transfers under shared cost agreements. Grants and transfers are recorded as expenses when the transfer is authorized and eligibility criteria have been met by the recipient.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Expenses (continued)

Directly Incurred

Directly incurred expenses are those costs the Foundation has primary responsibility and accountability for, as reflected in the government's budget documents.

Incurred by Others
Services contributed by other entities in support of the Foundation's operations are not recognized and are disclosed in Schedule 2 and allocated to programs in Schedule 3.

Net Assets/Net Liabilities

Canadian public sector accounting standards require a "net debt" presentation for the statement of financial position in the summary financial statements of governments. Net debt presentation reports the difference between financial assets and liabilities as "net debt" or "net financial assets" as an indicator of the future revenues required to pay for past transactions and events. The Foundation operates within the government reporting entity, and does not finance all its expenditures by independently raising revenues. Accordingly, these financial statements do not report a net debt indicator.

Valuation of Financial Assets and Liabilities

The institution's financial assets and liabilities are generally measured as follows:

Financial Statement Component	Measurement
Cash	Fair Value
Accounts Receivable	Amortized Cost
Accounts Payable and Accrued Liabilities	Amortized Cost

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable and accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short-term nature of these instruments.

As the Foundation does not have any transactions involving financial instruments that are classified in the fair value category and has no foreign currency transactions, there are no remeasurement gains and losses and therefore a statement of remeasurement gains and losses has not been presented.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Inventory for Resale

Inventory for resale is valued at the lower of cost and net realizable value. Cost is determined on the first in first out basis.

Artworks and Collections

Works of art, historical treasures and collections are not recognized in these financial statements. Purchases of collection items are expensed in the period in which the items are acquired. Donations of collection items are reported as revenue and expenses at their fair value when fair value can be determined. When fair value cannot be reasonably determined, these donations are recorded at nominal value.

Proceeds from the disposition of collections can only be used to acquire other items to be added to the collection or for the direct care of existing collections.

Note 3 Cash

Cash consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. CCITF is managed with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high-quality short-term and mid-term fixed-income securities with a maximum term-to-maturity of three years. As at March 31, 2014, securities held by CCITF have a time-weighted return of 1.2% (2013 – 1.3%) per annum.

Due to the short-term nature of these deposits, the carrying value approximates fair value.

Note 4 Artworks and Collections

The Government House Foundation actively collects various significant items pertaining to the history of Government House. The collection is accessible to the public and consists of paintings, drawings, prints, sculptures, furnishings, books and silverware. The majority of the collection is used or displayed in Government House, while some items are on loan to other provincial institutions. The collection is insured.

At March 31, 2014, the collection consisted of approximately 600 (2013 – 512) pieces of artworks and other items, with an estimated value of $1,042,000 (2013 – $1,030,000). During the year, the Foundation made one (2013 – one) purchase of artifacts at a cost of $5,550 (2013 – $6,500). Contributions to the collection included 57 (2013 – five) artifacts with an appraised value of $6,535 (2013 – $415) and there were no dispositions during the year (2013 – Nil).

The Government House Foundation
Notes to the Financial Statements
March 31, 2014

Note 5 Contractual Obligations

Contractual obligations are obligations of the Foundation to others that will become liabilities in the future when the terms of those contracts or agreements are met.

	2014	2013
Service Contracts	$ -	$ 16,500

Note 6 Approval of Financial Statements

The financial statements were approved by the senior financial officer and the deputy minister.

Schedule 1

The Government House Foundation
Schedule to Financial Statements
Expenses – Directly Incurred Detailed by Object
Year ended March 31, 2014

	2014		2013
	Budget	Actual	Actual
Supplies and Services			
Contracted Services	$ 14,000	$ 80,025	$ 59,126
General Office	27,000	48,717	24,747
Materials and Supplies	6,000	12,170	6,915
Consumption of Inventory	-	1,117	-
Hosting	2,000	200	2,421
	$ 49,000	$ 142,229	$ 93,209

Schedule 2

The Government House Foundation
Schedule to Financial Statements
Related Party Transactions
Year ended March 31, 2014

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta's financial statements.

The Foundation paid or collected certain taxes and fees set by regulation for premiums, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users and have been excluded from this schedule.

The Foundation had the following transactions with related parties recorded in the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties.

	Entities in the Ministry		Other Entities	
	2014	2013	2014	2013
Revenues				
Transfers from the Alberta Historical Resources Foundation	$ 109,226	$ 89,453	$ -	$ -
Expenses – Directly Incurred				
Other Services	$ -	$ -	$ 1,608	$ 1,672
Accounts Payable	$ 18,840	$ -	$ 4,019	$ -

The Foundation also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 3.

	Entities in the Ministry		Other Entities	
	2014	2013	2014	2013
Expenses – Incurred by Others				
Other Services	$ 19,140	$ 17,980	$ -	$ -
Accommodation	-	-	3,000	3,000
	$ 19,140	$ 17,980	$ 3,000	$ 3,000

Schedule 3

The Government House Foundation
Schedule to Financial Statements
Allocated Costs
Year ended March 31, 2014

	2014				2013
		Expenses – Incurred by Others			
Program	Expenses[1]	Other Services[2]	Accommodation[3]	Total Expenses	Total Expenses
Public Relations	$ 111,301	$ 14,978	$ 2,348	$ 128,627	$ 73,957
Administration	18,168	2,536	397	21,101	23,663
Collection Acquisitions	12,085	1,626	255	13,966	8,472
Conservation of Collections	675	-	-	675	8,097
	$ 142,229	$ 19,140	$ 3,000	$ 164,369	$ 114,189

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[1] Expenses – Directly Incurred as per Statement of Operations.

[2] The Department of Culture provided financial and administrative services. Costs shown for Other Services on Schedule 2, allocated by estimated costs incurred by each program.

[3] The Department of Infrastructure provided accommodations. Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 2, allocated by square footage.

Historic Resources Fund

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March 31, 2014

Historic Resources Fund
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March 31, 2014

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Schedule 3 – Related Party Transactions

Schedule 4 – Allocated Costs

AUDITOR
GENERAL
Alberta

Independent Auditor's Report

To the Minister of Culture

Report on the Financial Statements

I have audited the accompanying financial statements of the Historic Resources Fund, which comprise the statement of financial position as at March 31, 2014, and the statements of operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Historic Resources Fund as at March 31, 2014, and the results of its operations, its remeasurement gains and losses, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher, FCA]

Auditor General

May 30, 2014

Edmonton, Alberta

Historic Resources Fund
Statement of Operations
Year ended March 31, 2014
(in thousands)

	2014		2013
	Budget	Actual	Actual
Revenues (Schedule 1)			
Jubilee Auditoria	$ 6,850	$ 6,159	$ 6,713
Interpretive Programs and Services	3,868	3,952	3,971
Promotion and Presentation	4,675	3,254	3,296
Other Initiatives	477	253	330
Provincial Archives	120	112	206
	15,990	13,730	14,516
Expenses – Directly Incurred (Note 2(b) and Schedules 2 and 4)			
Jubilee Auditoria	6,839	8,082	5,430
Interpretive Programs and Services	3,939	4,774	4,674
Promotion and Presentation	4,710	2,771	2,975
Other Initiatives	480	731	519
Provincial Archives	120	115	165
	16,088	16,473	13,763
Net Operating Results	$ (98)	(2,743)	753
Net Assets at Beginning of Year		16,445	15,692
Net Assets at End of Year		$ 13,702	$ 16,445

The accompanying notes and schedules are part of these financial statements.

Historic Resources Fund
Statement of Financial Position
As at March 31, 2014
(in thousands)

	2014	2013
Assets		
Cash (Note 3)	$ 11,424	$ 14,435
Accounts Receivable (Note 4)	791	517
Prepaid Expenses	-	63
Inventory for Resale	713	637
Tangible Capital Assets (Note 5)	3,429	3,310
	$ 16,357	$ 18,962
Liabilities		
Accounts Payable and Accrued Liabilities	$ 1,533	$ 1,511
Deferred Revenue (Note 6)	1,122	1,006
	2,655	2,517
Net Assets (Note 7)	13,702	16,445
	$ 16,357	$ 18,962

Contractual obligations (Note 8)

The accompanying notes and schedules are part of these financial statements.

Historic Resources Fund
Statement of Cash Flows
Year ended March 31, 2014
(in thousands)

	2014	2013
Operating Transactions		
Net Operating Results	$ (2,743)	$ 753
Non-cash Items		
Amortization of Tangible Capital Assets	609	736
Loss on Disposal of Tangible Capital Assets	-	11
Deferred Revenue Recognized as Revenue	(1,320)	(1,604)
	(3,454)	(104)
(Increase) Decrease in Accounts Receivable	(274)	629
Decrease (Increase) in Prepaid Expenses	63	(48)
(Increase) Decrease in Inventory for Resale	(76)	4
Increase in Accounts Payable and Accrued Liabilities	22	14
Deferred Revenue Received	1,436	1,588
Cash (Applied to) Provided by Operating Transactions	(2,283)	2,083
Capital Transactions		
Acquisition of Tangible Capital Assets (Note 5)	(721)	(589)
Transfer from Department of Culture	(7)	-
Cash Applied to Capital Transactions	(728)	(589)
(Decrease) Increase in Cash	(3,011)	1,494
Cash at Beginning of Year	14,435	12,941
Cash at End of Year	$ 11,424	$ 14,435

The accompanying notes and schedules are part of these financial statements.

Historic Resources Fund
Notes to the Financial Statements
March 31, 2014

Note 1 Authority and Purpose

Historic Resources Fund (Fund) operates under the authority of the *Historical Resources Act*, Chapter H-9, Revised Statutes of Alberta 2000.

The purpose of the Fund is to protect, enhance, promote and display Alberta's historic resources by funding programs designated by the Lieutenant Governor in Council and by promoting the use and development of related facilities.

The Fund is a Crown agent of the Government of Alberta and as such has a tax exempt status.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards.

(a) Reporting Entity

The reporting entity is the Historic Resources Fund, which is part of the Ministry of Culture (Ministry) and for which the Minister of Culture (Minister) is accountable. The Ministry annual report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

(b) Basis of Financial Reporting

Revenue Accounting Policy

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as deferred revenue.

Donations and Non-Government Contributions

Donations and non-government contributions are received from individuals, corporations, and private sector not-for-profit organizations. Donations and non-government contributions may be unrestricted or externally restricted for operating or capital purposes.

Unrestricted donations and non-government contributions are recorded as revenue in the year received or in the year the funds are committed to the Fund if the amount can be reasonably estimated and collection is reasonably assured.

Externally restricted donations, non-government contributions, and realized and unrealized gains and losses for the associated externally restricted investment income are recorded as deferred revenue if the terms for their use, or the terms along with the Fund's actions and communications as to the use, create a liability. These resources are recognized as revenue as the terms are met and, when applicable, the Fund complies with its communicated use.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Donations and Non-Government Contributions (continued)

In-kind donations of services and materials are recorded at fair value when such value can reasonably be determined. While volunteers contribute a significant amount of time each year to assist the Fund, the value of their services are not recognized as revenue and expenses in the financial statements because fair value cannot be reasonably determined.

Investment Income

Investment income includes interest income earned on the Consolidated Cash Investment Trust Fund of the Province of Alberta accounts.

Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year are expensed. Transfers include entitlements, grants and transfers under shared cost agreements.

Directly Incurred

Directly incurred expenses are those costs the Fund has primary responsibility and accountability for, as reflected in the government's budget documents.

Incurred by Others

Services contributed by other entities in support of the Fund's operations are not recognized and are disclosed in Schedule 3 and allocated to programs in Schedule 4.

Net Assets/Net Liabilities

Net assets/net liabilities represent the difference between the assets held by Fund and its liabilities.

Canadian public sector accounting standards require a "net debt" presentation for the statement of financial position in the summary financial statements of governments. Net debt presentation reports the difference between financial assets and liabilities as "net debt" or "net financial assets" as an indicator of the future revenues required to pay for past transactions and events. The Fund operates within the government reporting entity, and does not finance all its expenditures by independently raising revenues. Accordingly, these financial statements do not report a net debt indicator.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Valuation of Financial Assets and Liabilities

The institution's financial assets and liabilities are generally measured as follows:

Financial Statement Component	Measurement
Cash	Fair Value
Accounts Receivable	Amortized Cost
Accounts Payable and Accrued Liabilities	Amortized Cost

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable and accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short-term nature of these instruments.

As the Fund does not have any transactions involving financial instruments that are classified in the fair value category and has no foreign currency transactions, there are no remeasurement gains and losses and therefore a statement of remeasurement gains and losses has not been presented.

Measurement Uncertainty

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount. The provision for doubtful accounts is recorded based on an assessment of collectability of accounts receivable. Amortization is based on the estimated useful lives of tangible capital assets.

Inventory for Resale

Inventory for resale is valued at the lower of cost and net realizable value. Cost is determined on the first in first out basis.

Tangible Capital Assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset.

Work in progress, which includes facilities and improvements projects and development of information systems, is not amortized until after a project is complete (or substantially complete) and the asset is put into service.

Historic Resources Fund
Notes to the Financial Statements
March 31, 2014

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Tangible Capital Assets (continued)

The cost, less residual value, of the tangible capital assets, excluding land, is amortized on a straight-line basis over their estimated useful lives as follows:

Equipment	3 - 20 Years
Computer Hardware and Software	5 Years

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Fund's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the Statement of Operations.

The threshold for capitalizing new systems development is $250,000 and the threshold for major systems enhancements is $100,000. The threshold for all other tangible capital assets is $5,000.

Contributed tangible capital assets are recognized in liabilities and amortized to revenue over their useful lives. Unless not reasonably determinable, contributed tangible capital assets are recorded at fair value.

Note 3 Cash
(in thousands)

Cash consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. CCITF is managed with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high-quality short-term and mid-term fixed-income securities with a maximum term-to-maturity of three years. As at March 31, 2014, securities held by CCITF have a time-weighted return of 1.2% (2013 – 1.3%) per annum.

Due to the short-term nature of these deposits, the carrying value approximates fair value.

Historic Resources Fund
Notes to the Financial Statements
March 31, 2014

Note 4 Accounts Receivable
(in thousands)

	2014			2013
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	$ 647	$ (5)	$ 642	$ 431
Refunds from Suppliers	149	-	149	86
	$ 796	$ (5)	$ 791	$ 517

Accounts receivable are unsecured and non-interest bearing.

Note 5 Tangible Capital Assets
(in thousands)

	Equipment	Computer Hardware and Software	2014 Total	2013 Total
Estimated Useful Life	3 - 20 years	5 years		
Historical Cost [(1)]				
Beginning of Year	$ 9,421	$ 330	$ 9,751	$ 9,184
Additions	704	17	721	589
Transfers from Department of Culture	12	-	12	-
Disposals, Including Write-Downs	-	(7)	(7)	(22)
	10,137	340	10,477	9,751
Accumulated Amortization				
Beginning of Year	6,210	231	6,441	5,716
Amortization Expense	583	26	609	736
Transfers from Department of Culture	5	-	5	-
Effect of Disposals, Including Write-Downs	-	(7)	(7)	(11)
	6,798	250	7,048	6,441
Net Book Value at March 31, 2014	$ 3,339	$ 90	$ 3,429	
Net Book Value at March 31, 2013	$ 3,211	$ 99		$ 3,310

(1) Historical cost includes equipment work-in-progress at March 31, 2014 totalling $623 (2013 – $464).

Historic Resources Fund
Notes to the Financial Statements
March 31, 2014

Note 6 Deferred Revenue
(in thousands)

		2014		2013
Unearned Revenue (a)	$	367	$	357
Deferred Contributions (b)		755		649
	$	1,122	$	1,006

(a) Unearned Revenue
Represent amounts received in advance of providing goods or services.

		2014		2013
Balance, Beginning of Year	$	357	$	343
Received/Receivable During Year		1,133		1,314
Less Amounts Recognized as Revenue		(1,123)		(1,300)
Balance, End of Year	$	367	$	357

(b) Deferred Contributions
Represent externally restricted contributions received relating to expenses of future years.

		2014		2013
Balance, Beginning of Year	$	649	$	679
Received/Receivable During Year		303		274
Less Amounts Recognized as Revenue		(197)		(304)
Balance, End of Year	$	755	$	649

Historic Resources Fund
Notes to the Financial Statements
March 31, 2014

Note 7 **Net Assets**
(in thousands)

	Internally Restricted - Glenbow Alberta Institute[1]	Internally Restricted - Jubilee Auditoria[2]	Net Investment in Tangible Capital Assets Internally Restricted - Jubilee Auditoria	Net Investment in Tangible Capital Assets Unrestricted	Unrestricted	Total
Balance, April 1, 2013	$ 616	$ 10,384	$ 2,466	$ 844	$ 2,135	$ 16,445
Net Operating Results	(332)	(1,924)	-	-	(487)	(2,743)
Acquisition of Tangible Capital Assets	-	-	721	-	-	721
Transfer from Department of Culture	-	-	7	-	-	7
Amortization of Tangible Capital Assets	-	-	(329)	(280)	-	(609)
Net Investment in Capital Assets	-	(399)	-	-	280	(119)
Balance, March 31, 2014	$ 284	$ 8,061	$ 2,865	$ 564	$ 1,928	$ 13,702

[1] The purpose of the fund is to acquire new provincial historical artifacts from the proceeds of the disposition of deaccessioned provincial collections displayed at the Glenbow-Alberta Institute.

[2] Accumulated surpluses arising from the operation of the Jubilee Auditoria may only be used for the payment of expenses related to the Jubilee Auditoria.

Historic Resources Fund
Notes to the Financial Statements
March 31, 2014

Note 8 Contractual Obligations
(in thousands)

Contractual obligations are obligations of the Fund to others that will become liabilities in the future when the terms of those contracts or agreements are met.

	2014	2013
Service Contracts	$ 7,721	$ 8,038

Estimated payment requirements for each of the next five years and thereafter are as follows:

	Service Contracts
2014 - 15	$ 7,359
2015 - 16	354
2016 - 17	4
2017 - 18	1
2018 - 19	1
Thereafter	2
	$ 7,721

Note 9 Approval of Financial Statements

The financial statements were approved by the senior financial officer and the deputy minister.

Schedule 1

Historic Resources Fund
Schedule to Financial Statements
Revenues
Year ended March 31, 2014
(in thousands)

	2014		2013
	Budget	Actual	Actual
Investment Income	$ 379	$ 142	$ 161
Premiums, Fees and Licences	4,053	4,125	4,137
Other Revenue			
Sales	4,175	4,301	4,602
Rental Revenue	3,300	3,484	3,995
Recoveries	3,789	1,164	1,230
Other Grants and Contributions	-	207	315
Donations	294	42	44
Prior Years Refunds of Expenses	-	253	14
Other Miscellaneous Revenue	-	12	18
	$ 15,990	$ 13,730	$ 14,516

Schedule 2

Historic Resources Fund
Schedule to Financial Statements
Expenses – Directly Incurred Detailed by Object
Year ended March 31, 2014
(in thousands)

	2014		2013
	Budget	Actual	Actual
Grants [1]	$ -	$ 3,000	$ -
Contracted Services	8,037	7,334	7,548
Supplies and Services from Support Service Arrangements with Related Parties [2] [3]	2,254	2,504	2,417
Materials and Supplies	3,939	1,789	1,600
Consumption of Inventory	650	601	689
Amortization of Tangible Capital Assets	763	609	736
General Office	345	482	546
Travel	95	89	99
Financial Transactions and Other	-	59	115
Hosting	5	6	13
	$ 16,088	$ 16,473	$ 13,763

(1) The Fund transferred $3 million to Alberta Infrastructure for the renovation of the loading dock at the Southern Alberta Jubilee Auditorium.

(2) The Fund receives financial and administrative services from the Department of Culture.

(3) The Fund receives administrative services from the Department of Tourism, Parks and Recreation.

Schedule 3

Historic Resources Fund
Schedule to Financial Statements
Related Party Transactions
Year ended March 31, 2014
(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta's financial statements.

The Fund paid or collected certain taxes and fees set by regulation for premiums, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users and have been excluded from this schedule.

The Fund had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2014	2013	2014	2013
Revenues	$ -	$ -	$ -	$ 49
Expenses – Directly Incurred				
Grants	$ -	$ -	$ 3,000	$ -
Other services	-	-	86	158
	$ -	$ -	$ 3,086	$ 158
Receivable from	$ 19	$ -	$ 272	$ 124
Payable to	$ 229	$ 45	$ 397	$ 796
Contractual Obligations	$ -	$ -	$ 247	$ 368

The above transactions do not include support service arrangement transactions disclosed in Schedule 2.

Schedule 3
(continued)

Historic Resources Fund
Schedule to Financial Statements
Related Party Transactions
Year ended March 31, 2014
(in thousands)

The Fund also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 4.

	Entities in the Ministry		Other Entities	
	2014	2013	2014	2013
Expenses – Incurred by Others				
Other Services	$ 402	$ 342	$ -	$ -
Accommodation	-	-	194	194
Internal Audit	-	-	4	15
	$ 402	$ 342	$ 198	$ 209

Historic Resources Fund
Schedule to Financial Statements
Allocated Costs
Year ended March 31, 2014
(in thousands)

	2014					2013
		Expenses – Incurred by Others				
Program	Expenses[1]	Other Services[2]	Accommodation[3]	Internal Audit[4]	Total Expenses	Total Expenses
Jubilee Auditoria	$ 8,082	$ -	$ 95	$ -	$ 8,177	$ 5,507
Interpretive Programs and Services	4,774	228	56	4	5,062	4,933
Promotion and Presentation	2,771	133	33	-	2,937	3,139
Other Initiatives	731	35	9	-	775	547
Provincial Archives	115	6	1	-	122	188
	$ 16,473	$ 402	$ 194	$ 4	$ 17,073	$ 14,314

[1] Expenses – Directly Incurred as per Statement of Operations.

[2] The Department of Culture provided financial and administrative services. Costs shown for Other Services on Schedule 3, allocated by estimated costs incurred by each program.

[3] The Department of Infrastructure provided accommodations. Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 3, allocated by square footage.

[4] The Department of Treasury Board and Finance provided Internal Audit Services. Costs shown for Internal Audit on Schedule 3, allocated by estimated costs incurred by each program.

The Wild Rose Foundation

Financial Statements

March 31, 2014

The Wild Rose Foundation
Financial Statements
March 31, 2014

Independent Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Cash Flows

Notes to the Financial Statements

Schedule 1 – Expenses – Directly Incurred Detailed by Object

Schedule 2 – Related Party Transactions

Schedule 3 – Allocated Costs

AUDITOR GENERAL
Alberta

Independent Auditor's Report

To the Minister of Culture

Report on the Financial Statements

I have audited the accompanying financial statements of the Wild Rose Foundation, which comprise the statement of financial position as at March 31, 2014, and the statements of operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Wild Rose Foundation as at March 31, 2014, and the results of its operations, its remeasurement gains and losses, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher, FCA]

Auditor General

May 30, 2014

Edmonton, Alberta

The Wild Rose Foundation
Statement of Operations
Year ended March 31, 2014
(in thousands)

	2014		2013
	Budget	Actual	Actual
Revenues			
Investment Income	$ 336	$ 85	$ 92
Premiums, Fees and Licences	185	111	104
Other Revenue			
Donations	50	38	57
Miscellaneous Revenue	12	4	6
	583	238	259
Expenses – Directly Incurred (Note 2(b) and Schedules 1 and 3)			
Vitalize Conference for Volunteers	583	637	674
Net Operating Results	$ -	(399)	(415)
Net Assets at Beginning of Year		7,417	7,832
Net Assets at End of Year		$ 7,018	$ 7,417

The accompanying notes and schedules are part of these financial statements.

The Wild Rose Foundation
Statement of Financial Position
As at March 31, 2014
(in thousands)

	2014	2013
Assets		
Cash (Note 3)	$ 7,012	$ 7,419
Accounts Receivable (Note 4)	1	-
Prepaid Expenses	6	10
	$ 7,019	$ 7,429
Liabilities		
Accounts Payable and Accrued Liabilities	$ 1	$ 12
Net Assets	7,018	7,417
	$ 7,019	$ 7,429

Contractual obligations (Note 5)

The accompanying notes and schedules are part of these financial statements.

The Wild Rose Foundation
Statement of Cash Flows
Year ended March 31, 2014
(in thousands)

	2014	2013
Operating Transactions		
Net Operating Results	$ (399)	$ (415)
(Increase) in Accounts Receivable	(1)	-
Decrease in Prepaid Expenses	4	21
(Decrease) in Accounts Payable and Accrued Liabilities	(11)	(102)
(Decrease) in Deferred Revenue	-	(8)
Cash (Applied to) Operating Transactions	(407)	(504)
Cash at Beginning of Year	7,419	7,923
Cash at End of Year	$ 7,012	$ 7,419

The accompanying notes and schedules are part of these financial statements.

The Wild Rose Foundation
Notes to the Financial Statements
March 31, 2014

Note 1 Authority and Purpose

The Wild Rose Foundation (Foundation) operates under the authority of the *Wild Rose Foundation Act*, Chapter W-8, Revised Statutes of Alberta 2000.

The purposes of the Foundation are:

- To provide funding to volunteer, non-profit organizations that provide valuable services to Albertans;
- To foster or promote the use of volunteers, or to assist those who volunteer or use the services of volunteers in Alberta; and
- To foster or promote charitable, philanthropic, humanitarian, or public spirited acts or to assist those who perform them.

The Foundation is a Crown agent of the Government of Alberta and as such has a tax exempt status.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards.

(a) Reporting Entity

The reporting entity is the Wild Rose Foundation, which is part of the Ministry of Culture (Ministry) and for which the Minister of Culture (Minister) is accountable. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

(b) Basis of Financial Reporting

Revenue Accounting Policy

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as deferred revenue.

Donations and Non-Government Contributions

Donations and non-government contributions are received from individuals, corporations, and private sector not-for-profit organizations. Donations and non-government contributions may be unrestricted or externally restricted for operating or capital purposes.

Unrestricted donations and non-government contributions are recorded as revenue in the year received or in the year the funds are committed to the Foundation if the amount can be reasonably estimated and collection is reasonably assured.

Externally restricted donations, non-government contributions, and realized and unrealized gains and losses for the associated externally restricted investment income are recorded as

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Donations and Non-government Contributions (continued)

deferred revenue if the terms for their use, or the terms along with the Foundation's actions and communications as to the use, create a liability. These resources are recognized as revenue as the terms are met and, when applicable, the Foundation complies with its communicated use.

In-kind donations of services and materials are recorded at fair value when such value can reasonably be determined. While volunteers contribute a significant amount of time each year to assist the Foundation, the value of their services are not recognized as revenue and expenses in the financial statements because fair value cannot be reasonably determined.

Investment Income

Investment income includes interest income earned on the Consolidated Cash Investment Trust Fund of the Province of Alberta accounts.

Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year are expensed. Transfers include entitlements, grants and transfers under shared cost agreements.

Grants and transfers are recorded as expenses when the transfer is authorized and eligibility criteria have been met by the recipient.

Directly Incurred

Directly incurred expenses are those costs the Foundation has primary responsibility and accountability for, as reflected in the government's budget documents.

Incurred by Others

Services contributed by other entities in support of the Foundation operations are not recognized and are disclosed in Schedule 2 and allocated to programs in Schedule 3.

Net Assets/Net Liabilities

Net assets/net liabilities represent the difference between the assets held by the Foundation and its liabilities.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Net Assets/Net Liabilities (continued)

Canadian public sector accounting standards require a "net debt" presentation for the statement of financial position in the summary financial statements of governments. Net debt presentation reports the difference between financial assets and liabilities as "net debt" or "net financial assets" as an indicator of the future revenues required to pay for past transactions and events. The Foundation operates within the government reporting entity, and does not finance all its expenditures by independently raising revenues. Accordingly, these financial statements do not report a net debt indicator.

Valuation of Financial Assets and Liabilities

The institution's financial assets and liabilities are generally measured as follows:

Financial Statement Component	Measurement
Cash	Fair Value
Accounts Receivable	Amortized Cost
Accounts Payable and Accrued Liabilities	Amortized Cost

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable and accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short-term nature of these instruments.

As the Foundation does not have any transactions involving financial instruments that are classified in the fair value category and has no foreign currency transactions, there are no remeasurement gains and losses and therefore a statement of remeasurement gains and losses has not been presented.

Note 3 Cash

Cash consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. CCITF is managed with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high-quality short-term and mid-term fixed-income securities with a maximum term-to-maturity of three years. As at March 31, 2014, securities held by CCITF have a time-weighted return of 1.2 % (2013 – 1.3%) per annum.

Due to the short-term nature of these deposits, the carrying value approximates fair value.

The Wild Rose Foundation
Notes to the Financial Statements
March 31, 2014

Note 4 Accounts Receivable

(in thousands)

	2014			2013
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	$ 1	$ -	$ 1	$ -

Accounts receivable are unsecured and non-interest bearing.

Note 5 Contractual Obligations

(in thousands)

Contractual obligations are obligations of the Foundation to others that will become liabilities in the future when the terms of those contracts or agreements are met.

	2014	2013
Service Contracts	$ 495	$ 744

Estimated payments requirements for each of the next three years are as follows:

	Service Contracts
2014 – 2015	$ 198
2015 – 2016	145
2016 – 2017	152
	$ 495

Note 6 Approval of Financial Statements

The financial statements were approved by the senior financial officer and the deputy minister.

Schedule 1

The Wild Rose Foundation
Schedule to Financial Statements
Expenses – Directly Incurred Detailed by Object
Year ended March 31, 2014
(in thousands)

	2014		2013
	Budget	Actual	Actual
Supplies and Services			
Contracted and Other Services	$ 531	$ 610	$ 613
Travel	38	17	52
Materials and Supplies	14	10	9
	$ 583	$ 637	$ 674

The Wild Rose Foundation
Schedule to Financial Statements
Related Party Transactions
Year ended March 31, 2014
(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta's financial statements.

The Foundation paid or collected certain taxes and fees set by regulation for premiums, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users and have been excluded from this schedule.

The Foundation had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2014	2013	2014	2013
Expenses – Directly Incurred				
Other Services	$ -	$ -	$ -	$ -
Payable to	$ -	$ -	$ 1	$ 12

The Foundation also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 3.

	Entities in the Ministry		Other Entities	
	2014	2013	2014	2013
Expenses – Incurred by Others				
Accommodation (1)	$ -	$ -	$ -	$ -
Other Services (2)	-	-	-	-
	$ -	$ -	$ -	$ -

(1) The Department of Infrastructure provided accommodations. Current year costs are reflected in the financial statements of the Department of Culture.

(2) The Department of Culture provided administrative services.

Schedule 3

The Wild Rose Foundation
Schedule to Financial Statements
Allocated Costs
Year ended March 31, 2014
(in thousands)

	2014			2013
		Expenses – Incurred by Others		
Program	Expenses[1]	Other Services	Total Expenses	Total Expenses
Vitalize Conference for Volunteers	$ 637	$ -	$ 637	$ 674

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[1] Expenses – Directly Incurred as per Statement of Operations.

Other Information

Ministry of Culture
Statements of Writeoffs Year Ended March 31, 2014

The following information is unaudited:

The following has been prepared pursuant to section 23 of the *Financial Administration Act*. This statement includes all writeoffs made or approved during the fiscal year. There were no remissions or compromises.

Writeoffs	
Accounts Receivable	$0.06
Tangible Capital Assets	$54,191.64
Total Writeoffs	$54,191.70

Other Statutory Reports

Public Interest Disclosure (Whistleblower Protection) Act

Section 32 of the *Public Interest Disclosure Act* requires the ministry to report annually on the following parts of the Act:

> (a) the number of disclosures received by the designated officer of the Public Interest Disclosure Office, the number of disclosures acted on and the number of disclosures not acted on by the designated officer;
> (b) the number of investigations commenced by the designated officer as a result of disclosures;
> (c) in the case of an investigation that results in a finding of wrongdoing, a description of the wrongdoing and any recommendations made or corrective measures taken in relation to the wrongdoing or the reasons why no corrective measure was taken.

In 2013-14, for the ministry, there were no disclosures of wrongdoing filed with the Public Interest Disclosure Office.

Acts Administered by Culture

The Ministry of Culture is responsible for a wide array of acts that have a direct impact on quality of life in Alberta. Below is a list of all the acts administered by Culture. If you would like to review these acts in more detail, they are included on the ministry's website (http://culture.alberta.ca/about/statutes.aspx).

NAME OF ACT	DESCRIPTION
Alberta Centennial Medal Act	Establishes the Centennial Medal and the process to award medals to outstanding Albertans who have made a significant contribution to society.
Alberta Foundation for the Arts Act	Establishes the foundation with its mandate to promote arts development.
Emblems of Alberta Act	Establishes provincial emblems and governs the reproduction and use of emblems.
Film and Video Classification Act	Provides a comprehensive procedure for the classification and regulation of films, and provides for the dissemination of information concerning the nature and content of films.
First Nations Sacred Ceremonial Objects Repatriation Act	Provides the mechanism for the repatriation of First Nations sacred ceremonial objects.
Foreign Cultural Property Immunity Act	Provides immunity from seizure of foreign cultural property in Alberta.
Glenbow-Alberta Institute Act	Enables the Glenbow-Alberta Institute to hold and administer grants and to foster historical, cultural and scientific activities in Alberta.
Government House Act	Establishes the foundation and sets out its mandate to advise the Minister of Culture on the preservation of Government House as a historic site and building and to inform and stimulate the interest of the public in the historical and architectural development of Government House.
Historical Resources Act	Provides for the use and protection of historic resources; establishes the Historic Resources Fund and The Alberta Historical Resources Foundation.
Holocaust Memorial Day and Genocide Remembrance Act	Establishes Yom ha-Shoah – Holocaust Memorial Day.
Queen Elizabeth II Golden Jubilee Recognition Act	Establishes special awards and scholarships that honour Alberta youth in recognition of the Queen's Golden Jubilee.
Ukrainian Famine and Genocide (Holodomor) Memorial Day Act	Establishes Ukrainian Famine and Genocide (Holodomor) Memorial Day.
Wild Rose Foundation Act	Establishes the foundation and sets out its mandate of providing grants for nonprofit/voluntary organizations and to promote charitable and humanitarian activities.

Performance Measures: Data Source and Methodology

Survey of Albertans on Culture
(Measures: 1.a, 1.b, 2.a, 2.b, 3.a and 4.b)

The Survey of Albertans on Culture is an annual provincewide telephone survey of adult Albertans. Leger conducted this survey and collected 1,000 responses using a random sample stratified by age group, gender and geographic location to be representative of Alberta's population. Albertans were asked questions on topics such as arts and culture, volunteerism and heritage. Interviews were conducted from February 13 to March 2, 2014, by trained and experienced interviewers. At least 10.0 per cent of each interviewer's work was directly monitored during calls. The response rate was 28.1 per cent and the margin of error is +/- 3.1 per cent, 19 times out of 20.

Client Satisfaction Survey – Customer Service Information System
(Measure: 3.b)

The Client Satisfaction Survey was conducted from April 1, 2013 to March 31, 2014 by the Community Engagement Branch. Survey respondents are clients who receive branch services. Clients are community leaders, members of organizations or representatives of government set in the context of group participation. Only projects completed during the fiscal year are counted in the survey, even if the project was started in a prior year. There were 4,993 surveys distributed; and 4,673 surveys were returned resulting in a response rate of 93.6 per cent. Overall satisfaction is based on the top two response categories of a six point scale (i.e., very satisfied, satisfied, slightly satisfied, slightly dissatisfied, dissatisfied and very dissatisfied). The margin of error is +/- 0.3 per cent, 19 times out of 20.

Alberta Media Fund – Alberta Production Grant Reports
(Measure: 4.a)

The results for this measure are collected from the Alberta Media Fund's administration records. Production companies approved for funding under the Alberta Production Grant stream of the fund submit production reports to the ministry for each production satisfactorily completed. Basic information from the production report is entered by program staff into a spreadsheet, which produces a sum of the dollar value of film productions for the fiscal year. Based on the value of the project, the film production companies provide either audited statements, review engagements prepared by qualified accountants or a statutory declaration as part of the production report. The production is included in the fiscal year that the grant authorization process is initiated, which is shortly after the production report is received. Reporting may occur in a different fiscal year than the year in which the bulk of production work takes place due to project completion times crossing the reporting year, therefore influencing results for the following year.

Readership Survey

Culture 2013-14 Annual Report

Thank you for reading the Culture 2013-14 Annual Report. We hope that you will take a few minutes to complete this readership survey. We are committed to continuous improvement and welcome your feedback and suggestions.

Instructions:
Please read each question carefully and circle the rating that best describes your response. If you require more space for your response, please use a separate piece of paper and identify the corresponding question clearly. If you have any questions, or require further clarification, contact Brad Babiak at 780-644-3272 or brad.babiak@gov.ab.ca.

If you would like to be contacted regarding your feedback, please provide your information below.

Name:

Organization:

Telephone Number:

Email:

1. Having read the *Culture 2013-2014 Annual Report*, how would you rate it overall on the following characteristics? Using scale one to five, where ONE is STRONGLY DISAGREE, THREE is NEUTRAL, and FIVE is STRONGLY AGREE, do you agree that... *(Please circle only one rating number for each statement.)*

	strongly disagree		**neutral**		**strongly agree**
I learned something new about the ministry reading this report	1	2	3	4	5
This annual report is easy to read	1	2	3	4	5
This annual report was informative and useful to me	1	2	3	4	5
The report has an appealing format/look	1	2	3	4	5
I can easily find information that I am looking for	1	2	3	4	5
I plan on using this annual report as a reference	1	2	3	4	5
Overall, this annual report meets my needs as a reader	1	2	3	4	5

2. What areas or features did you like the most about this annual report?

3. What areas or features would you recommend for further improvement?

Please tear out this survey and fax it to 780-427-0255 or mail it to Culture, Planning and Performance Measurement, 7th Floor, Standard Life Centre, 10405 Jasper Avenue, Edmonton, Alberta, Canada, T5J 4R7

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